

**DOĐAN ŐİRKETLER GRUBU HOLDİNG A.Ő.**

**CONVENIENCE TRANSLATION OF THE  
CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE INTERIM PERIOD  
1 JANUARY - 30 SEPTEMBER 2014 INTO ENGLISH**

**(ORIGINALLY ISSUED IN TURKISH)**

# DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 SEPTEMBER 2014

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**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS  
ORIGINALLY ISSUED IN TURKISH  
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**CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE INTERIM PERIODS  
30 SEPTEMBER 2014 AND 31 DECEMBER 2013**

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

<b>ASSETS</b>	<b>Notes</b>	<b>USD* 30 September 2014</b>	<b>Unaudited 30 September 2014</b>	<b>Audited 31 December 2013</b>
<b>Current Assets</b>		<b>1.600.904</b>	<b>3.648.300</b>	<b>3.977.821</b>
Cash and cash equivalents	6	868.371	1.978.928	2.216.361
Financial investments	7	46.699	106.423	136.465
Trade Receivables				
- From related parties	33	4.106	9.357	13.976
- From non-related parties	9	376.092	857.077	788.342
Other Receivables				
-From related parties	33	7.500	17.092	5.785
- From non-related parties	10	19.676	44.839	109.724
Derivative instruments	21	-	-	839
Inventories	11	116.273	264.975	273.817
Prepaid expenses	20	43.153	98.342	59.316
Biological assets	12	294	671	219
Other current assets	19	118.740	270.596	299.126
<b>Sub-total</b>		<b>1.600.904</b>	<b>3.648.300</b>	<b>3.903.970</b>
Non-current assets held for sale	30	-	-	73.851
<b>Non-current assets</b>		<b>1.523.857</b>	<b>3.472.718</b>	<b>3.610.152</b>
Trade Receivables	9	1.646	3.752	2.724
Other Receivables				
-From related parties	33	2.019	4.602	-
-From non-related parties	10	11.412	26.006	22.687
Financial Investments	7	12.403	28.265	3.043
Investments accounted by the equity method	4	138.728	316.147	340.637
Investment property	13	98.734	225.005	226.164
Property, plant and equipment	14	366.949	836.241	901.284
Intangible assets				
- Goodwill	15	218.158	497.160	520.005
- Other intangible assets	15	432.932	986.607	1.055.844
Prepaid expenses	20	26.248	59.817	38.165
Deferred tax assets	31	45.081	102.735	132.903
Other non-current assets	19	169.547	386.381	366.696
<b>Total assets</b>		<b>3.124.761</b>	<b>7.121.018</b>	<b>7.587.973</b>

The consolidated financial statements for the interim period ended 30 September 2014 have been approved by the Board of Directors on 20 November 2014.

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

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**CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE INTERIM PERIODS  
30 SEPTEMBER 2014 AND 31 DECEMBER 2013**

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

<b>LIABILITIES</b>	<b>Notes</b>	<b>USD* 30 September 2014</b>	<b>Unaudited 30 September 2014</b>	<b>Audited 31 December 2013</b>
<b>Current Liabilities</b>		<b>831.459</b>	<b>1.894.812</b>	<b>2.024.293</b>
Short-term borrowings	8	201.839	459.971	612.530
Short-term portion of long-term borrowings	8	200.893	457.814	426.418
Other financial liabilities	8	80.023	182.365	199.365
Trade payables				
- From related parties	33	10.380	23.655	38.527
- From non- related parties	9	247.683	564.446	498.152
Payables related to				
employee benefits	22	14.281	32.544	26.399
Derivative instruments	21	-	-	2.440
Deferred income	20	16.900	38.514	66.447
Other payables	10	17.418	39.694	53.912
Current income tax liabilities	31	3.593	8.188	17.663
Short-term provisions				
- Short-term provisions for				
employment benefits	22	20.164	45.951	41.373
- Other short-term provisions	17	18.075	41.191	31.581
Other current liabilities		210	479	208
<b>Sub-total</b>		<b>831.459</b>	<b>1.894.812</b>	<b>2.015.015</b>
Liabilities related to non-current assets held for sale	30	-	-	9.278
<b>Non-Current Liabilities</b>		<b>650.636</b>	<b>1.482.734</b>	<b>1.563.245</b>
Long-term borrowings	8	521.573	1.188.613	1.059.439
Other financial liabilities	8	-	-	183.182
Other payables	10	6.074	13.841	14.310
Deferred income	20	4.783	10.899	3.563
Long-term provisions				
-Long-term provisions for employment benefits	22	45.940	104.693	103.521
Deferred tax liability	31	72.208	164.556	199.145
Other non-current liabilities		58	132	85
<b>EQUITY</b>		<b>1.642.666</b>	<b>3.743.472</b>	<b>4.000.435</b>
<b>Equity attributable to equity holders of the parent company</b>	<b>23</b>	<b>1.512.203</b>	<b>3.446.159</b>	<b>3.250.187</b>
Share capital	23	1.148.334	2.616.938	2.450.000
Adjustments to share capital	23	62.980	143.526	143.526
Premiums/discounts related to shares	23	15.428	35.159	630
<b>Other comprehensive income or expenses that will not be reclassified subsequently to profit or loss</b>				
- Gain on revaluation of investment property	23	440	1.002	1.002
- Actuarial loss on defined retirement benefit plans	23	(12.979)	(29.577)	(29.577)
Venture capital fund	23	15.545	35.425	-
<b>Other comprehensive income or expenses that may be reclassified subsequently to profit or loss</b>				
- Currency translation differences		52.700	120.098	143.215
- Gain/(loss) on revaluation and reclassification	23	(97)	(222)	(1.153)
Restricted reserves	23	546.642	1.245.743	1.142.663
Accumulated losses	23	(274.743)	(626.111)	(561.979)
Net loss for the period		(42.047)	(95.822)	(38.140)
<b>Non-controlling interests</b>		<b>130.463</b>	<b>297.313</b>	<b>750.248</b>
<b>Total liabilities</b>		<b>3.124.761</b>	<b>7.121.018</b>	<b>7.587.973</b>
Commitments	18			

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**CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE INTERIM PERIODS**  
**30 SEPTEMBER 2014 AND 31 DECEMBER 2013**

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

	Notes	USD(*) 1 January- 30 September 2014	Unaudited 1 January- 30 September 2014	Unaudited 1 July- 30 September 2014	Unaudited 1 January- 30 September 2013	Unaudited 1 July- 30 September 2013
<b>Continued Operations</b>						
Revenue	24	1.156.192	2.634.847	847.791	2.428.745	720.209
Cost of sales (-)	24	(883.062)	(2.012.410)	(642.682)	(1.765.734)	(544.011)
<b>Gross Profit</b>	<b>24</b>	<b>273.130</b>	<b>622.437</b>	<b>205.109</b>	<b>663.011</b>	<b>176.198</b>
General administrative expenses (-)	25-26	(119.288)	(271.846)	(101.885)	(258.255)	(73.301)
Marketing, sales and distribution expenses (-)	25-26	(165.836)	(377.923)	(133.304)	(327.428)	(109.011)
Other income from operating activities	27	106.217	242.057	104.308	384.798	171.362
Other expenses from operating activities (-)	27	(51.444)	(117.235)	(37.008)	(140.431)	(55.551)
Share of (loss)/gain on investments accounted for by the equity method	4	(26.311)	(59.960)	(28.638)	(98.691)	(36.030)
<b>Operating Profit/(Loss)</b>		<b>16.468</b>	<b>37.530</b>	<b>8.582</b>	<b>223.004</b>	<b>73.667</b>
Income from investment activities	28	47.397	108.013	74.153	208.629	75.890
Expenses from investment activities (-)	28	(25.899)	(59.022)	9.851	(119.169)	(63.847)
<b>Operating profit / (loss) before finance (expense)/income</b>		<b>37.966</b>	<b>86.521</b>	<b>92.586</b>	<b>312.464</b>	<b>85.710</b>
Finance income	29	44.827	102.155	27.770	7.657	976
Finance expense (-)	29	(132.718)	(302.451)	(149.367)	(358.122)	(138.187)
<b>Profit / (Loss) Before Taxation</b>		<b>(49.925)</b>	<b>(113.775)</b>	<b>(29.011)</b>	<b>(38.001)</b>	<b>(51.501)</b>
<b>Tax expense from continued operations</b>	<b>31</b>	<b>(14.184)</b>	<b>(32.323)</b>	<b>(12.269)</b>	<b>(83.309)</b>	<b>(20.959)</b>
Tax expense for the period		(12.809)	(29.189)	4.990	(103.639)	(32.534)
Deferred tax income		(1.375)	(3.134)	(17.259)	20.330	11.575
<b>Loss for the period from continued operations</b>		<b>(64.109)</b>	<b>(146.098)</b>	<b>(41.280)</b>	<b>(121.310)</b>	<b>(72.460)</b>
Discontinued operations period loss	30	-	-	-	(2.172)	(1.622)
<b>Loss For The Period</b>		<b>(64.109)</b>	<b>(146.098)</b>	<b>(41.280)</b>	<b>(123.482)</b>	<b>(74.082)</b>
<b>Distribution of Loss For The Period</b>						
Non-controlling interests		(22.062)	(50.276)	(28.773)	(82.298)	(60.330)
Owners of the parent		(42.047)	(95.822)	(12.507)	(41.184)	(13.752)
Loss Per Share Attributable to Equity Holders of the Parent Company	32	(0,016)	(0,037)	(0,005)	(0,016)	(0,005)

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**CONSOLIDATED STATEMENTS OF OTHER COMPREHENSIVE INCOME FOR THE  
PERIOD 30 SEPTEMBER 2014**

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

	<i>USD(*)</i> 1 January- 30 September 2014	Unaudited 1 January- 30 September 2014	Unaudited 1 July- 30 September 2014	Unaudited 1 January- 30 September 2013	Unaudited 1 July- 30 September 2013
<b>Loss for the period</b>	<b>(64.109)</b>	<b>(146.098)</b>	<b>(41.280)</b>	<b>(123.482)</b>	<b>(74.082)</b>
<b>OTHER COMPREHENSIVE INCOME</b>					
<b>Accumulated other comprehensive income and loss that will be reclassified as profit or loss</b>					
Change in currency translation reserves	(16.407)	(37.388)	(21.568)	51.989	33.481
Revaluation of financial assets available for sale and / or classification gains / losses	409	931	(1.757)	(11.167)	(2.209)
<b>OTHER COMPREHENSIVE (EXPENSE) / INCOME</b>	<b>(15.998)</b>	<b>(36.457)</b>	<b>(23.325)</b>	<b>40.822</b>	<b>31.272</b>
<b>TOTAL COMPREHENSIVE EXPENSE</b>	<b>(80.107)</b>	<b>(182.555)</b>	<b>(64.605)</b>	<b>(82.660)</b>	<b>(42.810)</b>
<b>Allocation of Total Comprehensive Expense for the Period</b>					
Attributable to non-controlling interests	(28.324)	(64.547)	(27.659)	(69.058)	(44.862)
Attributable to equity holders of the Parent Company	(51.783)	(118.008)	(36.946)	(13.602)	2.052

(\*)As explained in the Note 2.1.8 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 September 2014.

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

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**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE INTERIM PERIODS ENDED 1 JANUARY- 30 SEPTEMBER 2014 AND 2013**

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

				Accumulated other comprehensive income or loss that will not be reclassified as profit or loss			Accumulated other comprehensive income or loss that will be reclassified as profit or loss			Accumulated income/loss					
	Notes	Share Capital	Adjustments to share capital	Gains on revaluation of investment property	Actuarial loss on defined retirement benefit plans	Premiums /discounts related to share	Gain/(loss) on revaluation and/or reclassificatio n of financial assets available for sale	Currency translation differences	Restricted reserves	Accumulated gain/(losses)	Net income/ (loss) for the period	Equity attributable to holders of the company	Non- controlling interest	Total shareholder' s equity	
Balances at 1 January 2013															
(reported previously)	23	2.450.000	143.526	1.002	-	2.362	2.092	53.688	1.204.043	(831.377)	155.670	3.181.006	907.120	4.088.126	
Effect of changes in accounting policy		-	-	-	(25.381)	(1.732)	-	(88)	-	27.113	-	(88)	(3.555)	(3.643)	
Balances at 1 January 2013															
(restated)	23	2.450.000	143.526	1.002	(25.381)	630	2.092	53.600	1.204.043	(804.264)	155.670	3.180.918	903.565	4.084.483	
Transfers		-	-	-	-	-	-	-	(61.380)	217.050	(155.670)	-	-	-	
Effect of mergers for entities under common control (Note 3)		-	-	-	-	-	-	-	-	(7.640)	-	(7.640)	(472)	(8.112)	
Share acquisition from non-controlling interests		-	-	-	-	-	-	-	-	-	-	-	(1.099)	(1.099)	
Change in subsidiary effective share ratio		-	-	-	-	-	-	-	-	-	-	-	2.580	2.580	
Dividend payment of subsidiaries to non group companies		-	-	-	-	-	-	-	-	-	-	-	(9.346)	(9.346)	
Other <sup>(1)</sup>		-	-	-	-	-	-	-	-	720	-	720	(1.577)	(857)	
Total comprehensive income/ (expense)		-	-	-	-	-	(11.167)	38.749	-	-	(41.184)	(13.602)	(69.058)	(82.660)	
- Currency translation differences		-	-	-	-	-	-	38.749	-	-	-	38.749	13.240	51.989	
- Change in the financial asset fair value reserve net		-	-	-	-	-	(11.167)	-	-	-	-	(11.167)	-	(11.167)	
- Net loss for the period		-	-	-	-	-	-	-	-	-	(41.184)	(41.184)	(82.298)	(123.482)	
Balances as of															
30 September 2013	23	2.450.000	143.526	1.002	(25.381)	630	(9.075)	92.349	1.142.663	(594.134)	(41.184)	3.160.396	824.593	3.984.989	

(1) Represents fair value changes of call option liabilities and acquisition and disposal of shares from non-controlling shareholders and disposal of subsidiary.

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**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE INTERIM PERIODS ENDED 1 JANUARY- 30 SEPTEMBER 2014 AND 2013**

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

			Accumulated other comprehensive income or loss that will not be reclassified as profit or loss			Accumulated other comprehensive income or loss that will be reclassified as profit or loss				Accumulated income/loss					
	Notes	Share Capital	Adjustments to share capital	Gains on revaluation of investment property	Actuarial loss on defined retirement benefit plans	Premiums /discounts related to share	Gain/(loss) on revaluation and reclassification of financial assets available for sale	Currency translation differences	Venture Capital Fund	Restricted reserves	Accumulated gain/(losses)	Net income/ (loss) for the period	Equity attributable to holders of the company	Non- controlling interest	Total shareholder's equity
<b>Balances at</b>															
<b>1 January 2014</b>	<b>23</b>	<b>2.450.000</b>	<b>143.526</b>	<b>1.002</b>	<b>(29.577)</b>	<b>630</b>	<b>(1.153)</b>	<b>143.215</b>	<b>-</b>	<b>1.142.663</b>	<b>(561.979)</b>	<b>(38.140)</b>	<b>3.250.187</b>	<b>750.248</b>	<b>4.000.435</b>
Transfers		-	-	-	-	-	-	-	-	13.407	(51.547)	38.140	-	-	-
Dividend payment of subsidiaries to non group companies		-	-	-	-	-	-	-	-	-	-	-	-	(2.841)	(2.841)
Merger effect(1)	1,23	166.938	-	-	-	34.529	-	-	-	89.673	22.840	-	313.980	(384.952)	(70.972)
Venture capital fund	23	-	-	-	-	-	-	-	35.425	-	(35.425)	-	-	-	-
Share acquisition from non-controlling interests and share transfer of entities under common control		-	-	-	-	-	-	-	-	-	-	-	-	(595)	(595)
<b>Total comprehensive income/(expense)</b>		-	-	-	-	-	931	(23.117)	-	-	-	(95.822)	(118.008)	(64.547)	(182.555)
- Currency translation differences		-	-	-	-	-	-	(23.117)	-	-	-	-	(23.117)	(14.271)	(37.388)
- Change in the financial asset fair value reserve net		-	-	-	-	-	931	-	-	-	-	-	931	-	931
-- Net loss for the period		-	-	-	-	-	-	-	-	-	-	(95.822)	(95.822)	(50.276)	(146.098)
<b>Balances as of</b>															
<b>30 September 2014</b>	<b>23</b>	<b>2.616.938</b>	<b>143.526</b>	<b>1.002</b>	<b>(29.577)</b>	<b>35.159</b>	<b>(222)</b>	<b>120.098</b>	<b>35.425</b>	<b>1.245.743</b>	<b>(626.111)</b>	<b>(95.822)</b>	<b>3.446.159</b>	<b>297.313</b>	<b>3.743.472</b>

(1) Related to the merger under Doğan Holding through the entire take-over with all assets and liabilities of Doğan Yayın Holding A.Ş. (Note 1,23)

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



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**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE INTERIM PERIODS ENDED 30 SEPTEMBER 2014 AND 2013**

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

	Notes	USD(*) 1 January - 30 September 2014	Unaudited Current Period 1 January - 30 September 2014	Unaudited Prior Period 1 January - 30 September 2013
<b>A. Cash flow provided by/(used in) operating activities</b>		<b>86.564</b>	<b>197.271</b>	<b>653.093</b>
(Loss)/gain before tax from continuing operations		(49.925)	(113.775)	(38.001)
<b>Adjustments regarding profit/loss for the period</b>		<b>185.810</b>	<b>423.442</b>	<b>633.569</b>
Adjustments regarding depreciation and amortization	14,15,26	97.627	222.483	186.289
Adjustments regarding impairment/reversal		5.581	12.719	-
Adjustments regarding provisions		23.319	53.141	42.877
Adjustments regarding interest income and expenses		23.776	54.180	46.475
Adjustments regarding unrealized changes in currency translation differences		10.730	24.452	(16.757)
Adjustments regarding gains/losses in fair value		772	1.760	3.928
Adjustments regarding gain/losses on disposal of property, plant and equipment and intangible assets	28	(11.331)	(25.822)	9.978
Share of gain on associates accounted by using the equity method	4	26.311	59.960	98.691
Unearned finance income due to sales and purchases with maturity	27	(12.383)	(28.219)	(34.014)
Unrealized foreign exchange expense / (income) due to financial borrowings		20.894	47.616	292.926
Loss /(gain) on sale of share of subsidiaries	28	514	1.172	3.176
<b>Change in working capital</b>		<b>(66.085)</b>	<b>(150.601)</b>	<b>4.779</b>
(Increase)/decrease in other current and non-current assets and prepaid expenses		(36.134)	(82.345)	(42.119)
Change in long term financial investments		(11.604)	(26.444)	-
Increase/(decrease) in other short term and long term liabilities and deferred revenue		(13.182)	(30.040)	21.968
Increase (decrease) in other financial liabilities		3.229	7.359	(5.620)
Decrease / (increase) in inventories		2.628	5.990	(3.300)
Increase in trade receivables		(46.427)	(105.804)	(72.316)
Increase/(decrease) in payables regarding employee benefits		288	656	8.673
Decrease in other receivables regarding operations		4.204	9.581	21.836
Increase/ (decrease) in trade payables		37.343	85.100	91.324
Increase/(decrease) in other payables regarding operations		(6.430)	(14.654)	(15.667)
<b>Cash provided by operating activities</b>		<b>69.799</b>	<b>159.066</b>	<b>600.347</b>
Employment termination benefits paid	22	(4.037)	(9.199)	(6.629)
Tax paid		(15.311)	(34.893)	(78.736)
Collections from doubtful receivables	9	2.397	5.462	11.524
Interest received		33.716	76.835	126.587

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

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS  
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**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE INTERIM PERIODS ENDED 30 SEPTEMBER 2014 AND 2013**

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

		<i>USD(*)</i> <b>1 January - 30 September 2014</b>	<i>Unaudited Current Period</i> <b>1 January - 30 September 2014</b>	<i>Unaudited Priod Period</i> <b>1 January - 30 September 2013</b>
	<b>Notes</b>			
<b>B. Cash Flow Derived From Investing Activities</b>		<b>(126.361)</b>	<b>(287.965)</b>	<b>(315.299)</b>
Proceeds from sale of property, plant and equipment and intangible assets		47.498	108.244	48.919
Decrease/(increase) in financial investments		13.130	29.923	22.449
Cash outflow derived from acquisition of property, plant, equipment and intangible assets	13,14,15	(91.866)	(209.358)	(213.028)
Payments on financial borrowings related with the options		(84.986)	(193.674)	(146.573)
Increase in investments accounted by equity method		(14.469)	(32.973)	(17.122)
Change on share of non-controlling interest		(69)	(158)	(4.654)
Dividends paid to non-controlling interest		(1.247)	(2.841)	(9.346)
Decrease in derivative liabilities		(703)	(1.601)	-
Cash provided from sale of subsidiary and real estate		38.810	88.445	20.929
Cash outflow due to acquisition of subsidiary		(1.316)	(3.000)	(16.873)
Share buy-back from the investors willing to exercise exit right during merger		(31.143)	(70.972)	-
<b>C. Cash Flow From Financing Activities</b>		<b>(64.883)</b>	<b>(147.861)</b>	<b>(481.940)</b>
Increase/ (decrease) in financial borrowings, (net)		(16.503)	(37.608)	(26.274)
Decrease/(increase) in blocked deposits		9.603	21.884	(88.887)
Decrease in financial borrowings related to options		-	-	(215.912)
Interest paid		(57.983)	(132.137)	(150.867)
<b>NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS BEFORE FOREIGN CURRENCY TRANSLATION EFFECT (A+B+C)</b>		<b>(104.680)</b>	<b>(238.555)</b>	<b>(144.146)</b>
<b>D. EFFECT OF FOREIGN CURRENCY TRANSLATION ON CASH AND CASH EQUIVALENTS</b>				
<b>NET INCREASE/DECREASE (A+B+C+D)</b>		<b>-</b>	<b>-</b>	<b>-</b>
<b>E. CASH AND CASH EQUIVALENTS IN THE BEGINNING OF THE PERIOD</b>	<b>6</b>	<b>969.330</b>	<b>2.209.007</b>	<b>2.130.865</b>
<b>F. CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (A+B+C+D)</b>	<b>6</b>	<b>864.650</b>	<b>1.970.452</b>	<b>1.986.719</b>

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

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM  
PERIOD ENDED 30 SEPTEMBER 2014**

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

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**NOTE 1 - ORGANIZATION AND NATURE OF OPERATIONS**

Doğan Şirketler Grubu Holding A.Ş. ("Doğan Holding", "Holding" or the "Group") 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, retail, tourism, 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 Borsa İstanbul ("Borsa İstanbul") since June 21, 1993. Within the frame of Resolution No.21/655 dated 23 July 2010 of CMB with the decision on 30 October 2014 numbered 31/1059; according to the records of Central Registry Agency, the 35.48% shares of Doğan Holding are to be considered in circulation as of 30 September 2014 (31 December 2013: 32,36%).

The address of Holding's registered office is as follows:

Burhaniye Mahallesi Kısıklı Caddesi No: 65  
Üsküdar 34696 İstanbul

Doğan Holding's principal activities are in Turkey and its activities are presented under five segments for reporting purposes as of 30 September 2014:

- Publishing
- Broadcasting
- Retail
- Energy
- Other

"Other" segment includes the subsidiaries operating in the sectors of trade, industry, tourism, agriculture, factoring and distribution. Segment reporting was presented under four sections as "Media", "Retail", "Energy" and "Other" in the periodical consolidated financial reports of Doğan Holding disclosed to the public in 2014. As a result of merger of Doğan Yayın Holding A.Ş. ("Doğan Yayın Holding") with Doğan Holding by take over with all assets and liabilities as described below, segment reporting of Doğan Yayın Holding's consolidated financial reports until the period ended as of 30 June 2014, has been carried to the consolidated report of Doğan Holding being effective on 30 September 2014. Accordingly, "media" segment, in which operational results of Doğan Yayın Holding was presented, was replaced with "publishing" and "broadcasting" segments and also the results of "Other" segment of Doğan Yayın Holding's consolidated report, in which operations of distribution, factoring and investment was presented, was combined with "Other" segment of Doğan Holding.

As of 30 September 2014, the Group has 8.394 employees in domestic and 11.270 employees including the personnel of foreign subcontractors (31 December 2013: 8.512 in domestic, including foreign 11.999). The Company has 213 employees (31 December 2013: 210 employees).

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS**

**ORIGINALLY ISSUED IN TURKISH**

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 SEPTEMBER 2014**

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

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**NOTE 1 - ORGANIZATION AND NATURE OF OPERATIONS (Continued)**

**Merger of Doğan Yayın Holding with Doğan Şirketler Grubu Holding A.Ş. by "Take Over"**

Board of Director decisions of Doğan Holding and Doğan Yayın Holding dated as 14 April 2014 regarding the merger under Doğan Holding, through the entire "take over" of our direct subsidiary Doğan Yayın Holding A.Ş. with all its assets and liabilities by Doğan Holding were disclosed to the public on the same date, and the merger transaction ("Merger") was approved in the Extraordinary General Assembly Meetings of Doğan Yayın Holding on 6 August 2014 and of Doğan Holding on 7 August 2014, and registered with the Trade Registry on 26 August 2014. Upon the registration of the merger, Doğan Yayın Holding A.Ş. has ceased by being dissolved without liquidation.

With the decision made by Board of Directors of Doğan Holding on 27 August 2014, the issued capital of Doğan Holding, which is TL 2.450.000, within the TL 4.000.000 registered capital ceiling, is to be increased to TL 2.616.938 due to the merger which took place under Doğan Holding, through the entire "take over" of Doğan Yayın Holding with all its assets and liabilities being ceased due to dissolution without liquidation by Doğan Holding (Note 23). The "Issuance Certificates" for a total of 166.938.288 shares with a nominal value of TL 1 (one) each, to be issued to represent the TL 166.938 increased within the scope of the capital increase have been approved by the CMB, and are enclosed on 29 August 2014 Article 7 of the Articles of Association, "Registered and Issued Capital", for the increase of the issued capital to TL 2.616.938 has been registered with the Trade Registry on 3 September 2014.

In the course of the capital increase due to the merger, there was not any cash outflows by the shareholders of our Company, and the shares to be issued was allocated to Doğan Yayın Holding A.Ş. shareholders using the "exchange ratio" approved, in return for the Doğan Yayın Holding A.Ş. held by the shareholders other than Doğan Yayın Holding A.Ş. within the context of the exercise of the exit right, and other than Doğan Şirketler Grubu Holding A.Ş. The exchange transaction was commenced on September 2, 2014. During the course of the "exchange" transaction to be carried out within the scope of the merger, Doğan Yayın Holding A.Ş. shareholders were given 0.4863793511 units (full) Doğan Şirketler Grubu Holding A.Ş. shares for each Doğan Yayın Holding A.Ş. shares they hold, with a nominal value of TL 1 (Note 23).

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(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL, 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, segment and countries 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	Printing and administrative services	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")	Turkey	Distribution	Media
Doğan Dış Ticaret ve Mümessillik A.Ş. ("Doğan Dış Ticaret")	Turkey	Import and export	Media
Doğan Haber Ajansı A.Ş. ("Doğan Haber")	Turkey	News agency	Media
Doğan Gazetecilik İnternet Hizmetleri ve Ticaret A.Ş. ("Doğan Gazetecilik İnternet")	Turkey	Internet services	Media
Yenibiriş İnsan Kaynakları Hizmetleri Danışmanlık ve Yayıncılık A.Ş. ("Yenibir")	Turkey	Internet services	Media
Hürriyet Zweigniederlassung GmbH ("Hürriyet Zweigniederlassung")	Germany	Newspaper printing	Media
Doğan Media International GmbH ("DMI")	Germany	Newspaper publishing	Media
Hürriyet Invest B.V. ("Hürriyet Invest")	Netherland	Investment	Media
Falcon Purchasing Services Ltd. ("Falcon")	England	Foreign Trade	Media
Trader Media East Ltd. ("TME")	Jersey	Investment	Media
TCM Adria d.o.o.	Croatia	Investment	Media
Mirabridge International B.V.	Netherland	Investment	Media
Publishing International Holding B.V.	Netherland	Investment	Media
Pronto Invest B.V.	Netherland	Investment	Media
OOO RUKOM	Russia	Internet publishing	Media
OOO Pronto Aktobe	Kazakhstan	Newspaper and Internet publishing	Media
OOO Delta-M	Russia	Newspaper and Internet publishing	Media
OOO Pronto Baikal	Russia	Newspaper and Internet publishing	Media
Job.ru LLC	Russia	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 Nizhny 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 Samara	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 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 Smolensk	Russia	Newspaper and Internet publishing	Media
OOO Tambov-Info	Russia	Newspaper and Internet publishing	Media
OOO SP Belpronto	Belarus	Newspaper and Internet publishing	Media
ZAO Pronto Akzhol	Kazakhstan	Newspaper and Internet publishing	Media
TOO 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
OOO Partner-Soft	Russia	Internet publishing	Media
Pronto Soft	Belarus	Internet publishing	Media
Impress Media Marketing LLC	Russia	Publishing	Media
OOO Rektcentr	Russia	Investment	Media
Publishing House Pennsylvania Inc.	USA	Investment	Media
Pronto Ust Kamenogorsk	Kazakhstan	Newspaper publishing	Media
Nartek Bilişim Turizm ve Pazarlama Hizmetleri Ticaret A.Ş. ("Nartek")	Turkey	Internet publishing	Media
Doğan İnternet Yayıncılığı ve Yatırım A.Ş. ("Doğan İnternet Yayıncılığı")	Turkey	Internet publishing	Media
Doğan TV Holding A.Ş. ("Doğan TV Holding")	Turkey	Tv publishing	Media
DTV Haber ve Görsel Yayıncılık A.Ş. ("Kanal D")	Turkey	Tv publishing	Media
Kanal D Yapımcılık Reklamcılık ve Dağıtım A.Ş. ("Kanal D Yapımcılık")	Turkey	Tv publishing	Media
Mozaik İletişim Hizmetleri A.Ş. ("Mozaik" or "D-smart")	Turkey	Tv publishing	Media
Doruk Televizyon ve Radyo Yayıncılık A.Ş. ("Doruk Televizyon" or "CNN Türk")	Turkey	Tv publishing	Media

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PERIOD ENDED 30 SEPTEMBER 2014**

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

**NOTE 1 - ORGANIZATION AND NATURE OF OPERATIONS (Continued)**

Subsidiaries	Country	Nature of business	Segment
Doğan TV Digital Platform İşletmeciliği A.Ş. ("Doğan TV Dijital")	Turkey	Tv publishing	Media
Fun Televizyon Yapımcılık Sanayi ve Ticaret A.Ş. ("Fun TV")	Turkey	Tv publishing	Media
Tempo Televizyon Yayıncılık Yapımcılık Sanayi ve Ticaret A.Ş. ("Tempo TV")	Turkey	Tv publishing	Media
Kanalspor Televizyon ve Radyo Yayıncılık A.Ş. ("Kanalspor")	Turkey	Tv publishing	Media
Milenyum Televizyon Yayıncılık ve Yapımcılık A.Ş. ("Milenyum TV")	Turkey	Tv publishing	Media
TV 2000 Televizyon Yayıncılık Yapımcılık Sanayi ve Ticaret A.Ş. ("TV 2000")	Turkey	Tv publishing	Media
Popüler Televizyon ve Radyo Yayıncılık A.Ş. ("Popüler TV")	Turkey	Tv publishing	Media
D Yapım Reklamcılık ve Dağıtım A.Ş. ("D Yapım Reklamcılık")	Turkey	Tv publishing	Media
Bravo Televizyon Yayıncılık Yapımcılık Sanayi ve Ticaret A.Ş. ("Bravo TV")	Turkey	Tv publishing	Media
Doğa Televizyon ve Radyo Yayıncılık A.Ş. ("Doğa TV")	Turkey	Tv publishing	Media
Altın Kanal Televizyon ve Radyo Yayıncılık A.Ş. ("Altın Kanal")	Turkey	Tv publishing	Media
Stil Televizyon ve Radyo Yayıncılık A.Ş. ("Stil TV")	Turkey	Tv publishing	Media
Selenit Televizyon ve Radyo Yayıncılık A.Ş. ("Selenit TV")	Turkey	Tv publishing	Media
Trend Televizyon ve Radyo Yayıncılık A.Ş. ("Trend TV" or "D Çocuk")	Turkey	Tv publishing	Media
Ekinoks Televizyon ve Radyo Yayıncılık A.Ş. ("Ekinoks TV")	Turkey	Tv publishing	Media
Fleks Televizyon ve Radyo Yayıncılık A.Ş. ("Fleks TV")	Turkey	Tv publishing	Media
Kutup Televizyon ve Radyo Yayıncılık A.Ş. ("Kutup TV")	Turkey	Tv publishing	Media
Galaksi Radyo ve Televizyon Yayıncılık Yapımcılık Sanayi ve Ticaret A.Ş. ("Galaksi TV")	Turkey	Tv publishing	Media
Koloni Televizyon ve Radyo Yayıncılık A.Ş. ("Koloni TV")	Turkey	Tv publishing	Media
Atılğan Televizyon ve Radyo Yayıncılık A.Ş. ("Atılğan TV")	Turkey	Tv publishing	Media
Yörünge Televizyon ve Radyo Yayıncılık A.Ş. ("Yörünge TV")	Turkey	Tv publishing	Media
Tematik Televizyon ve Radyo Yayıncılık A.Ş. ("Tematik TV")	Turkey	Tv publishing	Media
Süper Kanal Televizyon ve Radyo Yayıncılık A.Ş. ("Süperkanal")	Turkey	Tv publishing	Media
Uydu İletişim Basın Yayın A.Ş. ("Uydu")	Turkey	Tv publishing	Media
Eko TV Televizyon ve Radyo Yayıncılık A.Ş. ("Eko TV") <sup>(1)</sup>	Turkey	Tv publishing	Media
Doğan Uydu Haberleşme Hizmetleri ve Telekomünikasyon Ticaret A.Ş. ("Doğan Uydu Haberleşme")	Turkey	Tv publishing	Media
Doğan Teleshopping Pazarlama ve Ticaret A.Ş. ("Doğan Teleshopping" or "Her Eve Lazım")	Turkey	Tv publishing	Media
Rapsodi Radyo ve Televizyon Yayıncılık A.Ş. ("Rapsodi Radyo")	Turkey	Radio publishing	Media
Doğan Müzik Yapım ve Ticaret A.Ş. ("DMC")	Turkey	Music and entertainment	Media
İnteraktif Medya Hizmetleri Geliştirme Pazarlama ve Ticaret A.Ş. ("İnteraktif Medya")	Turkey	Interactive services	Media
Primeturk GmbH ("Prime Turk")	Germany	Marketing	Media
Osmose Media S.A. ("Osmose Media")	Luxembourg	Marketing	Media
Doğan Media International S.A. ("Kanal D Romania")	Romania	Tv publishing	Media
Doğan Müzik Kitap Mağazacılık ve Pazarlama A.Ş. ("D&R")	Turkey	Retail	Retail
Hür Servis Sosyal Hizmetler ve Ticaret A.Ş. ("Hürservis")	Turkey	Retail	Retail
Doğan Faktoring A.Ş. ("Doğan Faktoring")	Turkey	Factoring	Media
Doğan Platform Yatırımları A.Ş. ("Doğan Platform")	Turkey	Investment	Media
Milpa Ticari ve Sınai Ürünler Pazarlama Sanayi ve Ticaret A.Ş. ("Milpa")	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
Çelik Halat ve Tel Sanayii 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
Doğan Enerji Yatırımları Sanayi ve Ticaret A.Ş. ("Doğan Enerji")	Turkey	Energy	Energy
Galata Wind Enerji A.Ş. ("Galata Wind")	Turkey	Energy	Energy
SC D-Yapı Real Estate, Investment and Construction S.A. ("D Yapı Romania")	Romania	Gayrimenkul	Other
D Stroy Limited ("D Stroy")	Russia	Trade	Other
DHI Investment B.V. ("DHI Investment")	Netherland	Investment	Other
D-Tes Elektrik Enerjisi Tiptan Satış A.Ş. ("D-Tes")	Turkey	Energy	Energy
Ditas America LLC ("Ditas America")	USA	Trade	Other
Ditas Trading (Shanghai) Co. Ltd. ("Ditas Trading")	People's Republic of China	Trade	Other
M Investment 1 LLC ("M Investment")	USA	Real estate	Other
A.G.T. Tanıtım Kağıt Ürünleri Sanayi ve Ticaret A.Ş. ("A.G.T.Tanıtım")	Turkey	Retail	Retail

## CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS

### ORIGINALLY ISSUED IN TURKISH

### DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 SEPTEMBER 2014

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

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### NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

#### 2.1 Basis of presentation

##### 2.1.1 Financial Reporting Standards

Public Oversight, Accounting and Auditing Standards Authority ("POA"), published the "Financial Statement Samples and User Guide", to be prepared in the scope of TAS in accordance with the "Turkey Accounting / Financial Reporting Standards" in the Official Gazette No. 28652 dated 20 May 2013 for the companies that are obliged to apply Turkish Accounting Standards ("TAS") except for the financial institutions such as banks, insurance companies, capital market institutions operating under the scope of Banking Act 5411, the Capital Market Law No. 6362, No. 5684, No. 4683 of the Insurance Law, Private Pension Savings and Investment. The consolidated financial statements of the Group as of 30 September 2014 have been prepared in accordance with the standards described above.

In accordance with the Capital Markets Board ("CMB")'s No. II-14.1 "Principles of Financial Reporting in Capital Markets" ("Communiqué No. II-1.14"), capital market institutions except for the partnerships whose issued capital market instruments are traded on a stock exchange and investment funds, housing finance and asset finance funds, financial statements, should prepare its financial statements in accordance with TAS.

Upon the CMB's resolution dated 7 June 2013 and 20/670, for capital market institutions, except for the corporations whose capital market instruments are traded on a stock exchange and investment funds, housing finance and asset finance funds within the scope of Communiqué No: II-14.1, formats are declared in the weekly bulleting numbered 2013/19 starting from the interim periods 30 June 2013 at 7 June 2013.

Upon the CMB's resolution made on 17 March 2005, companies operating in Turkey and preparing their financial statements in accordance with the CMB's Financial Reporting Standards are not required to apply inflation accounting beginning from 1 January 2005. Accordingly, No: 29 "Financial Reporting in Hyperinflationary Economies" ("TAS 29") is not applied in accompanying consolidated financial statements for the accounting periods starting 1 January 2005.

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 POA Turkish Accounting Standards.

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

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

**2.1 Basis of presentation (continued)**

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

Financial statements of subsidiaries and joint ventures 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.

If the group entities' functional currency is different from the presentation currency; it is translated into the presentation currency as below:

- 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 statement of profit or loss are translated at average exchange rates; and all resulting exchange differences are recognised as a separate component of equity and statements of comprehensive income (currency translation differences).

When a foreign operation is partially disposed of or sold, exchange differences that were recorded in equity are recognised in the statement of profit or loss 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 Consolidation principles**

The consolidated financial statements include the accounts of the parent company, Doğan Holding, its Subsidiaries, its Associates and its Joint Ventures (collectively referred as the "Group") on the basis set out in sections (a) to (e) below. The financial statements of the companies included in the consolidation are based on historical cost of the statutory records and for the purpose of fair presentation in accordance with the accounting policies described in Note 2.1.1 and Note 2.1.2 and application of uniform accounting policies and presentations; adjustments and reclassifications. Financial statements of consolidated entities are restated in accordance with the Financial Reporting Standards set out by the CMB considering the accounting policies and presentation requirements applied by the Group.

Subsidiaries and joint ventures acquired or disposed of during the accounting period are included in the consolidation from the date at which the control/common control of operations are transferred to the Group and excluded from the consolidation when the control/common control is lost. Even if non-controlling interests result in a deficit balance, total comprehensive income is attributed to the owners and to the non-controlling interests.



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

**2.1 Basis of presentation (continued)**

**2.1.3 Consolidation principles (continued)**

Accounting policies used in the preparation of these consolidated financial statements are summarized as below:

**(a) Subsidiaries**

Subsidiaries are companies in which Doğan Holding has power to control the financial and operating policies for the benefit of Doğan Holding either (a) through the power to exercise more than 50% of voting rights relating to shares in the companies as a result of shares owned directly and indirectly by itself or (b) 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. Subsidiaries are consolidated by full consolidation method by the date the Group takes the control. From the date the control is over, subsidiaries are excluded from the consolidation scope. Proportion of ownership interest represents the effective shareholding of the Group through the shares held by Doğan Holding and indirectly by its subsidiaries. In the consolidated financial statements, interests owned by Doğan family members are treated as non-controlling interests and excluded from net asset and profit of the Group.

The balance sheets and statements of profit or loss of the subsidiaries are consolidated on a line-by-line basis and the carrying value of the investment held by the Holding and its subsidiaries is eliminated against the related equity. Intercompany transactions and balances between Doğan Holding and its subsidiaries are eliminated on consolidation. Finance costs and the dividends arising from shares held by Doğan Holding in its subsidiaries are eliminated from equity and income for the period, respectively. Where necessary, adjustments are made to the accounting policies in the financial statements of subsidiaries in order to comply with the Group's accounting policies.

Changes in the Group's ownership interests in subsidiaries that do not result in the loss of control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company. When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests.

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

**2.1 Basis of presentation (continued)**

**2.1.3 Consolidation principles (continued)**

**(a) Subsidiaries (continued)**

The table below sets out the proportion of voting power held by Doğan Holding, Doğan Family and its subsidiaries and effective ownership interests at 30 September 2014 and 31 December 2013:

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 (%)		Proportion of effective ownership interest (%)	
	30	31	30	31	30	31	30	31
	September 2014	December 2013	September 2014	December 2013	September 2014	December 2013	September 2014	December 2013
Hürriyet	77,65	77,65	-	-	77,65	77,65	77,65	64,35
Doğan Gazetecilik	92,76	92,76	0,52	0,52	93,28	93,28	92,76	74,23
DMI	100,00	100,00	-	-	100,00	100,00	90,52	73,37
Hürriyet Medya Basım	100,00	100,00	-	-	100,00	100,00	77,65	64,35
Doğan Ofset <sup>(1)</sup>	-	99,93	-	-	-	99,93	-	64,30
Mozaik	100,00	100,00	-	-	100,00	100,00	85,11	66,63
Doğan Haber	99,94	99,94	-	-	99,94	99,94	88,07	71,66
Doğan Dağıtım	100,00	100,00	-	-	100,00	100,00	100,00	80,02
Doğan Dış Ticaret	98,80	98,80	-	-	98,80	98,80	98,42	78,80
Doğan Gazetecilik Internet	100,00	100,00	-	-	100,00	100,00	92,76	74,23
Yenibir	100,00	100,00	-	-	100,00	100,00	77,65	64,35
Hürriyet Zweigniederlassung	100,00	100,00	-	-	100,00	100,00	77,65	64,35
Hürriyet Invest	100,00	100,00	-	-	100,00	100,00	77,65	64,35
TME	74,29	74,29	-	-	74,29	74,29	57,68	47,80
Mirabridge International B.V.	100,00	100,00	-	-	100,00	100,00	57,68	47,80
Publishing International Holding B.V.	100,00	100,00	-	-	100,00	100,00	57,68	47,80
Job.ru LLC	100,00	100,00	-	-	100,00	100,00	57,68	47,80
Pronto Invest B.V.	100,00	100,00	-	-	100,00	100,00	57,68	47,80
TCM Adria d.o.o.	100,00	100,00	-	-	100,00	100,00	57,68	47,80
OOO Rektcentr Publishing House	100,00	100,00	-	-	100,00	100,00	57,68	47,80
Pennsylvania Inc.	100,00	100,00	-	-	100,00	100,00	57,68	47,80
Doğan Platform	100,00	100,00	-	-	100,00	100,00	100,00	80,02
Doğan Yayın Holding <sup>(2)</sup>	-	80,02	-	1,90	-	81,92	-	80,02
Fairworld <sup>(3)</sup>	-	100,00	-	-	-	100,00	-	78,80
Falcon	100,00	100,00	-	-	100,00	100,00	98,42	78,80
Oglasnik d.o.o. <sup>(4)</sup>	-	100,00	-	-	-	100,00	-	47,80
Expressz Magyarorszag Media Kft <sup>(5)</sup>	-	100,00	-	-	-	100,00	-	47,80
OOO SP Belpronto	60,00	60,00	-	-	60,00	60,00	34,61	28,68
OOO Pronto Rostov <sup>(6)</sup>	-	100,00	-	-	-	100,00	-	47,80
OOO Pronto Aktobe	80,00	80,00	-	-	80,00	80,00	36,92	30,59
OOO Delta-M	55,00	55,00	-	-	55,00	55,00	31,73	26,29
OOO Pronto Baikal	100,00	100,00	-	-	100,00	100,00	57,68	47,80
OOO Pronto DV	100,00	100,00	-	-	100,00	100,00	57,68	47,80
OOO Pronto Ivanovo	100,00	100,00	-	-	100,00	100,00	57,68	47,80
OOO Pronto Kaliningrad	95,00	95,00	-	-	95,00	95,00	54,80	45,41
OOO Pronto Kazan	72,00	72,00	-	-	72,00	72,00	41,53	34,42
OOO Pronto Krasnodar	80,00	80,00	-	-	80,00	80,00	46,15	38,24

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

**2.1 Basis of presentation (continued)**

**2.1.3 Consolidation principles (continued)**

*(a) Subsidiaries (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 (%)		Proportion of effective ownership interest (%)	
	30 September	31 December	30 September	31 December	30 September	31 December	30 September	31 December
	2014	2013	2014	2013	2014	2013	2014	2013
OOO Pronto Nizhny								
Novgorod	90,00	90,00	-	-	90,00	90,00	51,91	43,02
OOO Pronto Novosibirsk	100,00	100,00	-	-	100,00	100,00	57,68	47,80
OOO Pronto Oka <sup>(7)</sup>	100,00	100,00	-	-	100,00	100,00	57,68	47,80
OOO Pronto Samara	100,00	100,00	-	-	100,00	100,00	57,68	47,80
OOO Pronto UlanUde	90,00	90,00	-	-	90,00	90,00	51,91	43,02
OOO Pronto Vladivostok	90,00	90,00	-	-	90,00	90,00	51,91	43,02
OOO Pronto Moscow	100,00	100,00	-	-	100,00	100,00	57,68	47,80
OOO Pronto Neva <sup>(8)</sup>	-	100,00	-	-	-	100,00	-	47,80
OOO Tambukan	85,00	85,00	-	-	85,00	85,00	49,03	40,63
OOO Utro Peterburga <sup>(7)</sup>	55,00	55,00	-	-	55,00	55,00	31,73	26,29
OOO Pronto Kemerovo <sup>(6)</sup>	-	100,00	-	-	-	100,00	-	47,80
OOO Pronto Smolensk	100,00	100,00	-	-	100,00	100,00	57,68	47,80
OOO Pronto Tula <sup>(9)</sup>	-	100,00	-	-	-	100,00	-	47,80
OOO Pronto Voronezh <sup>(6)</sup>	-	100,00	-	-	-	100,00	-	47,80
OOO Tambov-Info	100,00	100,00	-	-	100,00	100,00	57,68	47,80
OOO Pronto Obninsk <sup>(10)</sup>	-	10,00	-	-	-	10,00	-	4,78
TOO Pronto Akmola	100,00	100,00	-	-	100,00	100,00	57,68	47,80
OOO Pronto Atyrau	100,00	100,00	-	-	100,00	100,00	46,15	38,24
OOO Pronto Aktau	100,00	100,00	-	-	100,00	100,00	46,15	38,24
ZAO Pronto Akzhol	80,00	80,00	-	-	80,00	80,00	46,15	38,24
Bolji Posao d.o.o. Serbia <sup>(11)</sup>	-	100,00	-	-	-	100,00	-	47,80
Bolji Posao d.o.o. Bosnia <sup>(11)</sup>	-	100,00	-	-	-	100,00	-	47,80
OOO RUKOM <sup>(12)</sup>	100,00	100,00	-	-	100,00	100,00	57,68	47,80
OOO Partner-Soft <sup>(13)</sup>	90,00	90,00	-	-	90,00	90,00	51,91	43,02
Pronto Soft	90,00	90,00	-	-	90,00	90,00	51,91	43,02
Prime Turk	100,00	100,00	-	-	100,00	100,00	85,11	66,63
Osmose Media	100,00	100,00	-	-	100,00	100,00	84,94	66,48
Impress Media								
Marketing LLC	97,00	97,00	-	-	97,00	97,00	55,95	46,37
Pronto Ust Kamenogorsk	100,00	100,00	-	-	100,00	100,00	46,15	38,24
Doğan TV Holding <sup>(14)</sup>	84,94	82,45	0,14	0,14	85,08	82,59	84,94	66,48
Kanal D	94,97	94,88	5,03	5,12	100,00	100,00	80,67	63,07
Kanal D Yapımcılık	100,00	100,00	-	-	100,00	100,00	80,67	63,07
Alkım İletişim <sup>(15)</sup>	-	100,00	-	-	-	100,00	-	66,48
Alp Görsel <sup>(16)</sup>	-	100,00	-	-	-	100,00	-	66,48
Fun TV	100,00	100,00	-	-	100,00	100,00	85,11	66,63
Tempo TV	100,00	100,00	-	-	100,00	100,00	84,94	66,48
Kanalspor	100,00	100,00	-	-	100,00	100,00	85,11	66,63
Milenyum TV	100,00	100,00	-	-	100,00	100,00	85,11	66,63
TV 2000	100,00	100,00	-	-	100,00	100,00	85,11	66,63
Popüler TV	100,00	100,00	-	-	100,00	100,00	85,11	66,63
D Yapım Reklamcılık	100,00	100,00	-	-	100,00	100,00	84,94	66,48
Bravo TV	100,00	100,00	-	-	100,00	100,00	85,11	66,63

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

**2.1 Basis of presentation (continued)**

**2.1.3 Consolidation principles (continued)**

*(a) Subsidiaries (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 (%)		Proportion of effective ownership interest (%)	
	30	31	30	31	30	31	30	31
	September 2014	December 2013	September 2014	December 2013	September 2014	December 2013	September 2014	December 2013
Doğa TV	100,00	100,00	-	-	100,00	100,00	85,11	66,63
Altın Kanal	100,00	100,00	-	-	100,00	100,00	85,11	66,63
Stil TV	100,00	100,00	-	-	100,00	100,00	85,11	66,63
Selenit TV	100,00	100,00	-	-	100,00	100,00	85,11	66,63
D Çocuk	100,00	100,00	-	-	100,00	100,00	85,11	66,63
Ekinoks TV	100,00	100,00	-	-	100,00	100,00	85,11	66,63
Fleks TV	100,00	100,00	-	-	100,00	100,00	85,11	66,63
Doğan TV Dijital	100,00	100,00	-	-	100,00	100,00	85,11	66,63
Kutup TV	100,00	100,00	-	-	100,00	100,00	85,11	66,63
Galaksi TV	100,00	100,00	-	-	100,00	100,00	85,11	66,63
Koloni TV	100,00	100,00	-	-	100,00	100,00	84,94	66,48
Atılğan TV	100,00	100,00	-	-	100,00	100,00	84,94	66,48
Yörünge TV	100,00	100,00	-	-	100,00	100,00	85,11	66,63
Doruk Televizyon	100,00	100,00	-	-	100,00	100,00	84,94	66,48
Tematik TV	100,00	100,00	-	-	100,00	100,00	84,94	66,48
Süper Kanal	100,00	100,00	-	-	100,00	100,00	84,94	66,48
Uydu	100,00	100,00	-	-	100,00	100,00	85,11	66,63
Eko TV	95,03	95,03	-	-	95,03	95,03	80,71	63,17
Kanal D Romania	100,00	100,00	-	-	100,00	100,00	84,94	73,37
NetD Dijital Yayıncılık <sup>(17)</sup>	-	100,00	-	-	-	100,00	-	66,48
Doğan Uydu Haberleşme	100,00	100,00	-	-	100,00	100,00	84,94	66,48
Doğan Teleshopping	100,00	100,00	-	-	100,00	100,00	84,94	66,48
Rapsodi Radyo	100,00	100,00	-	-	100,00	100,00	84,94	66,48
DMC	100,00	100,00	-	-	100,00	100,00	84,94	66,48
İnteraktif Medya	100,00	100,00	-	-	100,00	100,00	84,94	66,48
D&R	100,00	100,00	-	-	100,00	100,00	100,00	100,00
Hürservis	100,00	100,00	-	-	100,00	100,00	100,00	100,00
Doğan Faktoring	100,00	100,00	-	-	100,00	100,00	98,86	79,42
Nartek	60,00	60,00	-	-	60,00	60,00	46,59	38,61
Doğan İnternet Yayıncılığı	100,00	100,00	-	-	100,00	100,00	100,00	80,02
Milpa	86,27	86,27	0,16	0,16	86,43	86,43	86,27	86,27
Enteralle Handels <sup>(18)</sup>	100,00	100,00	-	-	100,00	100,00	86,27	86,27
Orta Anadolu Otomotiv	85,00	85,00	-	-	85,00	85,00	85,00	85,00
Çelik Halat	78,70	78,69	-	-	78,70	78,69	78,70	78,69
Ditaş Doğan	73,59	73,59	-	-	73,59	73,59	73,59	73,59
Milta Turizm	100,00	100,00	-	-	100,00	100,00	100,00	100,00
Doğan Organik	100,00	100,00	-	-	100,00	100,00	100,00	100,00
Doğan Enerji	100,00	100,00	-	-	100,00	100,00	100,00	100,00
Nakkaştepe Elektrik <sup>(19)</sup>	-	100,00	-	-	-	100,00	-	100,00
Galata Wind	100,00	100,00	-	-	100,00	100,00	100,00	100,00
Akdeniz Elektrik <sup>(20)</sup>	-	100,00	-	-	-	100,00	-	100,00

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

**2.1 Basis of presentation (continued)**

**2.1.3 Consolidation principles (continued)**

**(a) Subsidiaries (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 (%)		Proportion of effective ownership interest (%)	
	30	31	30	31	30	31	30	31
	September 2014	December 2013	September 2014	December 2013	September 2014	December 2013	September 2014	December 2013
D-Yapı Romanya	100,00	100,00	-	-	100,00	100,00	100,00	100,00
D Stroy <sup>(21)</sup>	100,00	100,00	-	-	100,00	100,00	73,59	100,00
DHI Investment	100,00	100,00	-	-	100,00	100,00	100,00	100,00
D-Tes	100,00	100,00	-	-	100,00	100,00	100,00	100,00
A.G.T. Tanıtım <sup>(22)</sup>	90,00	-	-	-	90,00	-	90,00	-
M Investment <sup>(23)</sup>	100,00	-	-	-	100,00	-	100,00	-

(1) The related subsidiary was sold as of 18 July 2014.

(2) As a result of merger of Doğan Yayın Holding A.Ş. with Dogan Holding by take over with all assets and liabilities as of 26 August 2014 Doğan Yayın Holding A.Ş. has been ceased due to dissolution without liquidation.

(3) The related subsidiary was liquidated as of 30 July 2014.

(4) The related subsidiary was sold as of 28 February 2014.

(5) The related subsidiary was sold as of 7 April 2014.

(6) The related subsidiary was liquidated in 2014.

(7) The related subsidiary ceased its operations before 2010.

(8) The related subsidiary was liquidated as of 21 February 2014.

(9) The related subsidiary was liquidated as of 18 July 2014.

(10) 90% shares of of the related subsidiary in December 2013, and remaining 10% was sold in January 2014.

(11) The related subsidiary was sold as of 21 March 2014.

(12) The related subsidiary ceased its operations in 2012.

(13) The related subsidiary has started liquidation process in 2012.

(14) According to the statutory records of Group, proportion of effective ownership interest of Doğan TV Holding is 84,94%.

Nevertheless, in consequence of the option explained in Note 17, by considering the additional share proportion in accordance with TAS 32 "Financial Instruments: Disclosure and Presentation" the rate is calculated as 87,87%.

(15) The related subsidiary merged with Doğan TV Holding as of 27 March 2014.

(16) The related subsidiary merged with Alkım İletişim as of 28 February 2014.

(17) The related subsidiary merged with Kanal D as of 30 April 2014.

(18) The related subsidiary is in liquidation process, which started on 31 December 2011.

(19) The related subsidiary merged with D-Tes as of 27 January 2014.

(20) The related subsidiary merged with Galata Wind as of 27 January 2014.

(21) The related subsidiary was sold to Ditaş as of 20 March 2014.

(22) The related subsidiary was acquired on 16 September 2014.

(23) The related subsidiary was established on 14 April 2014.

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

**2.1 Basis of presentation (continued)**

**2.1.3 Consolidation principles (continued)**

***b) Joint Ventures***

Joint ventures are companies in respect of which there are contractual arrangements through which an economic activity is undertaken subject to joint control by Doğan Holding and one or more other parties. Joint ventures were consolidated using the proportional consolidation method until 31 December 2012.

In accordance with the amendments to TFRS 11 effective from 1 January 2013, entities under common control are recognized under the equity method starting from this date and the related amendments are applied retrospectively and financial statements are restated accordingly. Condensed financial statements of entities under common control are disclosed in Note 4.

***(c) Associates***

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but do not have control or joint control over those policies. Investments in joint ventures are accounted for using the equity method of accounting. Such entities are companies in which Doğan Holding and its subsidiaries have 20% - 50% of the voting rights of the Group's overall voting power, where the Group has significant influence without any controlling power over the operations. Unrealized gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in its joint ventures; unrealized losses are also eliminated if there is no indication of the assets transferred. Increases or decreases in the net assets of associates are increased or decreased proportionally as the Group's share in the consolidated financial statements and presented under the "Share of loss/gain on investments accounted for by using the equity method" account in the statement of profit or loss.

Where the investment's share of losses exceeds the Group's share (including any long-term investments that, in substance, form part of the Group's net investment in the associate), the exceeding portion of losses are not recognized. Consideration of additional loss is only possible in case the Group has been exposed to legal liability or has made to payments in the name of subsidiary.

Unrealized gains on transactions between the Group and its associates are restated in proportion to the Group's share in the associate and unrealized losses are also restated when there is no indication of impairment of the transferred asset. As long as the Group does not undertake any liability related to associates, when book value of the associates is zero equity method is no longer applied.

***(d) Non-controlling interests***

Non-controlling interests of shareholders over the net assets and operational results of subsidiaries are classified as non-controlling interest and non-controlling profit/loss in the consolidated balance sheet and statement of income.

***(e) Financial investments***

Other investments in which the Group and its subsidiaries, have less than 20%, or more than 20% direct or indirect participation but the Group has no significant influence over the related assets, or which are immaterial to consolidated financial statements are classified as "available for sale financial assets". Available for sale investments that do not have a quoted market price in an active market and whose fair value cannot be measured reliably are carried at cost less any allowance for impairment (Note 7).

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

**2.1 Basis of presentation (continued)**

**2.1.4 Offsetting**

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

**2.1.5 Comparative information and restatement of previously reported financial statements**

The consolidated financial statements of the Group are prepared comparatively with the previous period to identify the financial position and performance trends. The group presents comparatively its consolidated balance sheet as of 30 September 2014 with 31 December 2013. Income statement, other comprehensive income, cash flow and change in equity as of 30 September 2014, are presented comparatively with the financial statements of the interim period 1 January-30 September 2013. In the current period, in case of a necessity, prior period financial statements are reclassified in order to comply with the presentation of its current period consolidated financial statements and significant changes are explained.

**2.1.6 Significant Accounting Policies and Changes in Accounting Estimates and Errors and Restatement of Previously Reported Financial Statements**

Changes in accounting policies arising from the first time adoption of a new TAS are applied retrospectively or prospectively in accordance with the respective TAS transition requirements, if any. Where there are no transition requirements for any changes or optional significant changes in accounting policies and identified accounting errors, those are applied retrospectively and prior period financial statements are restated accordingly.

Due to the merger explained in "Organization and Nature of Operations" (Note 1), the Group has changed the segment presentation being effective from the period ended by 30 September 2014 as explained in note "segment reporting"; to be "publishing", "broadcasting", "retail", "energy" and "other" (Note 2.2). The change in the presentation of the note has no effect on the result of operations. Related change has been made comparatively in the note. (Note 5)

Amendments in the standard TFRS 10 is required to be applied retrospectively. Subsidiaries TOV E-Prostir and SP Pronto Kiev, which were accounted within the framework of TAS 27 by the Group, have been included to consolidate financial statements by equity method as of 1 January 2012 in line with TFRS 10, and prior year financial statements were restated. Effect to the financial statements of the related change is summarized in the table below.

Also, the Group classified its subsidiaries operating in Hungary and Croatia as discontinued operations. In order to comply with current period financial statements, operations of aforementioned entities are classified as discontinued operations on prior year income statement and other comprehensive income statement.

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

**2.1 Basis of presentation (continued)**

**2.1.6 Significant Accounting Policies and Changes in Accounting Estimates and Errors and  
Restatement of Previously Reported Financial Statements (continued)**

<b>1 January – 30 September 2013</b>	<b>Previously reported</b>	<b>Adjustments related to consolidation method change and discontinued operations</b>	<b>Restated</b>
Revenue	2.442.485	(13.740)	2.428.745
Cost of sales (-)	(1.772.777)	7.043	(1.765.734)
<b>Gross profit</b>	<b>669.708</b>	<b>(6.697)</b>	<b>663.011</b>
Marketing expenses (-)	(329.360)	1.932	(327.428)
General administrative expenses (-)	(265.438)	7.183	(258.255)
Other income from operating activities	386.421	(1.623)	384.798
Other expenses from operating activities (-)	(141.120)	689	(140.431)
Share of loss on associates accounted by using the equity method	(98.691)	-	(98.691)
<b>Operating profit</b>	<b>221.520</b>	<b>1.484</b>	<b>223.004</b>
Income from investing activities	208.629	-	208.629
Expense from investing activities	(96.988)	-	(96.988)
<b>Operating profit before finance expenses</b>	<b>333.161</b>	<b>1.484</b>	<b>334.645</b>
Finance income	7.657	-	7.657
Finance expenses (-)	(380.303)	-	(380.303)
<b>Profit from continued operations before tax</b>	<b>(39.485)</b>	<b>1.484</b>	<b>(38.001)</b>
<b>Continued Operations Tax Expense/Income</b>	<b>(83.309)</b>	<b>-</b>	<b>(83.309)</b>
Current tax expense (-)/income	(103.639)	-	(103.639)
Deferred tax income / (expense)	20.330	-	20.330
<b>Net period loss from continued operations</b>	<b>(122.794)</b>	<b>1.484</b>	<b>(121.310)</b>
<b>Net period loss from discontinued operations</b>	<b>-</b>	<b>(2.172)</b>	<b>(2.172)</b>
<b>Loss for the period</b>	<b>(122.794)</b>	<b>(688)</b>	<b>(123.482)</b>
<b>Allocation of profit /loss for the period:</b>			
Non-controlling interests	(81.610)	(688)	(82.298)
<b>Equity holders of the Parent Company</b>	<b>(41.184)</b>	<b>-</b>	<b>(41.184)</b>

The preparation of consolidated financial statements require the use of estimations and assumptions that may have an effect over the assets and liabilities reported at the balance sheet date, contingent assets and liabilities disclosures and income and expenses reported during the accounting period. The estimates and assumptions are based on the best available information on the current circumstances and operations; however, they may differ from the actual results. If changes in accounting estimates only relate to one period, the change is reflected in the current period in which the change is made, if they relate to future periods, the change is both reflected in the current period in which the change is made and prospectively for future periods. Accounting estimates in the current period, except new arrangements explained above, are consistent with the accounting estimates used in preparation of 31 December 2013 consolidated financial statements.



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

**2.1 Basis of presentation (continued)**

**2.1.7 New and Revised Turkish Financial Reporting Standards**

The following new and revised standards and interpretations below are applied by the Group and have affected the reported amounts and disclosures in the consolidated financial statements. However, the details of standards and interpretations effective in the current period but have no effect on the financial statements and standards and interpretations not yet effective and have not been early adopted by the Group are set out below.

**(a) Standards effective from 1 January 2014 and have effect on the financial statements of the Group**

None.

**(b) Standards effective from 1 January 2014 and have no effect on the financial statements of the Group**

TFRS 10, 11, TAS 27 (Amendments)	<i>Investment Companies</i>
TAS 32 (Amendments)	<i>Offsetting Financial Assets and Financial Liabilities</i>
TAS 36 (Amendments)	<i>Recoverable Value Disclosures for Non-Financial Assets</i>
TAS 39 (Amendments)	<i>Novation of Derivatives and Continuation of Hedge Accounting</i>
TFRS Interpretation 21	<i>Fees and Taxes</i>

**(c) New and revised standards and interpretations not yet effective and have not been adopted early by the Group**

The Group has not applied the following new and revised standards that have been issued but are not yet effective:

TFRS 9	<i>Financial Instruments</i>
TFRS 9 ve TFRS 7 (Amendments)	<i>Mandatory Effective Date of TFRS 9 and Transition Disclosures</i>
TAS 19 (Amendments)	<i>Employee Benefits</i>

The above standards will be applicable in 2014 and onwards, the Group has not determined the potential impact of the application of these standards over its financial statements. The applications of these standards are expected not to have a significant impact on the financial statements.

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

**2.2 Summary of Significant Accounting Policies**

**Related parties**

For the purpose of these consolidated financial statements, related parties are referred to as legal entities in which Doğan Holding directly or indirectly has participation, including any entities under common control; real persons and/or legal entities that have direct or indirect individual or joint control over the company and their close family members (relatives up to second-degree) and legal entities having direct or indirect individual or joint control by them and legal entities having significant effect over the Company or their key management personnel; Company's affiliates, subsidiaries and members of the Board of Directors, key management personnel and their close family members (relatives up to second-degree) and real persons and/or legal entities that are directly or indirectly controlled individually or jointly (Note 33).

**Cash and cash equivalents**

Cash and cash equivalents are carried at cost in the balance sheet. Cash and cash equivalents comprise cash in hand, bank deposits and highly liquid investments without a significant risk over the change in their value, whose maturity at the time of purchase is three months or less (Note 6).

**Sales and repurchase agreements**

Funds given in return for financial assets purchase with the requirement of selling back ("Reverse repo") are recognized as reverse repurchase agreements at consolidated financial statements (Note 6). Income discount is calculated for the difference between the buying and selling prices, determined with aforementioned reverse repo agreements, accrued for the period according to internal discount rate method and recognized by the adding to the cost of reverse repos. Funds provided in return for financial assets reverse repurchase are recognized under cash and cash equivalents in the consolidated financial statements.

**Trade receivables and provision for doubtful receivables**

The Group's trade receivables from providing goods or services to customers are carried at net of unrealized finance income. Trade receivables, net of unrealized finance income, are calculated by discounting future cash inflows of receivables carried at the original invoice amount using the effective interest method. Short term receivables with indefinite interest rate are carried at cost unless the effect of imputing interest is significant.

Provision is allocated for receivables when the Group has an objective indication over the collectability. The amount of the provision is the difference between the carrying amount and the recoverable amount. Recoverable amount is the present value of all cash flows, including amounts recoverable from guarantees and collaterals discounted based on using the original effective interest rate of the trade receivable occurred. Group management considers to book provision for doubtful receivables for administrative and/ or legal follow-up, unsecured and collection possibility of the receivables which has maturity out of the Group's commercial term.

If there is a partial or whole collection over the doubtful receivable amount subsequent to the allocation of provision for doubtful receivables, the collected portion is recognised as income following the write-down of the total provision amount (Note 9, 27).

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

**2.2 Summary of Significant Accounting Policies (continued)**

**Inventories**

Inventories are valued at the lower of cost or estimated selling price less estimated costs necessary to make a sale. Cost elements included in inventory are purchase costs and other costs necessary to prepare the asset for its intended use. Cost elements included in inventories are materials, labor and production overheads. The unit cost of inventories is determined on the moving weighted average basis (Note 11).

When the net realizable value of inventory is less than cost, the inventory is written down to the net realizable value and the expense is included in the statement of profit or loss in the period the write-down or loss occurred. When the circumstances that previously caused inventories to be written down below cost no longer exist or when there is clear evidence of an increase in net realizable value because of the changing economic circumstances, the amount of the write-down is reversed. The reversal amount is limited to the amount of the initial impairment.

**Promotion stocks**

Evaluation of impairment on promotion stocks and in detection of an impairment; evaluation of the impairment amount is carried out by the Group management. In this manner, an inventory impairment amount is set with the rates determined by the Group management by taking the purchase date into consideration.

**Programme stocks**

Programme stocks comprise internal and external productions that have been produced but not yet broadcasted as of the report date. Programme stocks are recognised at acquisition or production cost and they are not subject to amortization. These programmes are charged to the statement of profit or loss upon the first transmission and included in cost of sales in the consolidated statement of profit or loss (Note 26). If the estimated income from programme stocks is lower than the carrying value, carrying value is discounted to net realizable value. Licence periods, remaining number of publishing rights, industry dynamics and sales forecasts are being considered in determining of impairment of programme stocks.

**Financial instruments**

In accordance with TAS 39, the Group classifies its financial instruments as assets held at fair value through profit or loss, held-to-maturity, available-for-sale and loans and receivables. Classification is determined based on the acquisition purpose and specifications of the financial asset at the initial recognition. All financial assets are recognised at cost including transaction costs in the initial measurement.

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

**2.2 Summary of Significant Accounting Policies (continued)**

**Financial instruments (continued)**

*"Financial assets at fair value through profit or loss"* are financial assets that have been acquired principally for the purpose of taking advantage of fluctuations in price and other similar elements or independent from initial recognition financial assets held for trading which are part of a portfolio that has a recent actual pattern of short-term profit-taking. A financial asset is classified in this category if it is primarily acquired for the purpose of selling in the short-term. Financial assets at fair value through profit or loss are initially carried at cost including transaction costs at the balance sheet. Subsequent to recognition, the financial assets are carried at fair value. Realized or unrealized gains and losses are recognized in "financial income / expenses". Dividends received, are recognized as dividend income in the consolidated statement of profit or loss. Financial assets considered as derivative instruments that are not designated for the purpose of hedging instruments are classified as financial assets at fair value thorough profit or loss (Note 21). As of 30 September 2014, the Group does not have any financial assets whose fair value differences are recognized as in profit or loss.

*"Held-to-maturity investments"* are non-derivative financial assets with fixed or determinable payments that the Group intends and is able to hold to maturity and that do not meet the definition of loans and receivables and are not designated on initial recognition as assets at fair value through profit or loss or as available for sale. Held-to-maturity investments are carried at amortized cost using the effective interest method less impairment, if any. The Group has no held to maturity investments as of 30 September 2014 and 31 December 2013.

The Group's *"available for sale financial assets"* comprise of quoted equity instruments and certain debt securities that are traded in an active market and they are measured at fair value. Unrealized gains or losses on an available-for-sale financial asset shall be recognised in equity, through the investments revaluation reserves and comprehensive income, except for impairment losses and foreign exchange gains and losses, until the financial asset is derecognised, at which time the cumulative gain or loss previously recognised in equity shall be recognised in profit or loss. Dividends on available-for-sale equity instruments are recognized in profit or loss when the Group's right to receive payment is established.

Financial assets classified by Doğan Holding as "available- for- sale financial assets" that do not have any control power or significant effect have no fair value. When fair value cannot be reliably measured as other fair value estimation methods are not applicable; the carrying value of the financial asset is measured at cost less any impairment loss (Note 7).

"Loans and Receivables" are financial assets that have fixed or determinable payments and fixed maturity dates and non-derivative financial assets that are not quoted in an active market.

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

**2.2 Summary of Significant Accounting Policies (continued)**

**Derivative financial instruments**

Derivative financial instruments, predominantly foreign currency and interest swap agreements and foreign currency forward agreements are initially recognised at their acquisition costs plus the transaction costs. Derivative financial instruments are subsequently remeasured at their fair value. All derivative financial instruments are classified as financial assets at fair value through profit or loss. Fair values of derivative financial instruments are obtained from quoted market prices or discounted cash flow models as appropriate. Based on positive or negative fair value, derivative financial instruments are carried as assets or liabilities respectively (Note 21).

Changes in the fair value of derivatives at fair value through profit or loss are included in the statement of profit or loss.

While certain derivative financial instruments provide effective hedge relationships, they are recognised as financial assets through profit or loss in accordance with TAS 39 and their fair value gains and losses are reported in the statement of profit or loss.

**Investment property**

Investment properties are properties held to earn rentals and/or for capital appreciation. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, at the end of each year when there is an indication of impairment, investment properties are stated at fair value which reflects the market conditions. Gains or losses arising from changes in the fair values of investment properties are included in the profit or loss in the period in which they arise. As of 31 December 2012, the Group decided to adopt fair value method for their investment properties which were previously accounted under the cost method and restated its financial statements according to TAS 8.

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from disposal. Any gain or loss arising on derecognition of the property is included in profit or loss in the period in which the property is derecognized.

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use. The difference between cost value and fair value at the date of the change is recognized as revaluation fund in other comprehensive income.

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

**2.2 Summary of Significant Accounting Policies (continued)**

**Property, plant and equipment and related depreciation**

Property, plant and equipment are carried at cost less any accumulated depreciation and any accumulated impairment losses (Note 14). Depreciation is provided on property, plant and equipment on a straight-line basis (except land). The depreciation periods for property, plant and equipment, which approximate the economic useful lives of such assets, are as follows:

	<u>Years</u>
Land and land improvements	15 - 50
Buildings	25 - 50
Machinery and equipment	2 - 28
Motor vehicles	2 - 20
Furniture and fixtures	2 - 50
Development costs of leased tangible assets	2 - 39
Other tangible assets	2 - 50
Leasehold improvements	2 - 25

Useful life and depreciation are reviewed regularly and the Group also reviews the consistency of the useful life and depreciation method applied with the economic benefits to be obtained from the underlying assets.

Gains or losses on disposals of property, plant and equipment are determined with respect to the difference between collections received and carrying amounts of property, plant and equipment and are included in the related income and expense accounts, as appropriate.

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount provided to allocate provision. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. Fair value less costs to sell is the amount obtainable from the sale of an asset less the costs of disposal. Value in use is the present value of the future cash flows expected to be derived from an asset plus the residual value of the related assets.

Repair and maintenance expenses are charged to the consolidated statement of profit or loss as they are incurred. Capital expenditures that increase the present value of the future cash flows expected to be derived from property, plant and equipment by increasing its capacity is added to the cost of tangible fixed asset.

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

**2.2 Summary of Significant Accounting Policies (continued)**

**Financial Leases**

Leases are classified as finance leases by the Group whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. Assets held under finance leases are recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. Lease payments are treated as consisting of capital and interest. Principal lease payments are treated as liabilities and reduced with their payments. Interest charges are charged directly against statement of profit or loss over the financial lease period. Assets acquired through finance leases are depreciated over the shorter of expected useful life and the lease term, as well as tangible assets acquired.

**Operating leases**

An operating lease is a lease that does not substantially all the risks and rewards incidental to ownership of an asset. For operating leases, lease payments (net of any incentives received from the lessor) are recognized as an expense on a straight line basis over the lease term under the consolidated statement of profit or loss.

**Goodwill**

Goodwill and negative goodwill amount, which represent the difference between the purchase price and the fair value of the acquiree's net assets, arising from business combinations effected prior to 31 March 2004 in the consolidated financial statements is capitalized and amortized over the useful life by using the straight-line method prior to 31 December 2004. Goodwill arising from business combinations effected subsequent to 31 March 2004 is not amortized and instead reviewed for any impairment losses in accordance with TFRS 3 Business Combinations (Note 15).

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired as of the balance sheet dates. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

**Intangible assets and related amortization**

Intangible assets excluding goodwill and assets with infinite useful lives comprise brand names, customer lists, terrestrial broadcasting permissions and licenses (frequency rights), other identified rights, computer software and television programme rights which are further discussed in Note 2.2. Brand names, customer relationships and domain names are determined based on the independent valuation on business combinations. Useful lives of certain brand names are determined to be infinite. Assets that have infinite useful life are not subject to amortization and are tested for impairment annually (Note 15).

Registered subscriber acquisition costs paid by D-smart are capitalized over the subscription commitment period by the Group beginning from 1 January 2012 and capitalized amounts are recognized under intangible assets account. Weighted average term for subscription acquisition costs is 2 years.

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

**2.2 Summary of Significant Accounting Policies (continued)**

**Intangible assets and related amortization (continued)**

Intangible assets are carried at cost, less any accumulated amortization and amortized by using the straight-line method (Note 15).

Estimated useful lives of intangible assets that have a finite useful life are as follows:

	<u>Years</u>
Trademark	20 - 25
Electricity production licences	45 - 47
Customer lists	9 - 25
Computer software and rights	3 - 15
Domain names	3 - 20
Other intangible rights	5 - 49

Intangible assets with finite useful lives are tested to determine whether there is an indication that the intangible assets may be impaired and if the carrying value of the intangible asset is higher than the recoverable amount, the carrying value of the intangible asset is written down to its recoverable amount provided to allocate provision. The recoverable amount of an intangible asset is the higher of its fair value less costs to sell and its value in use. Provision for impairment is recognized under the statement of profit or loss in the related period.

The right to use of marina held by the Group's subsidiary Milta Turizm, classified in other intangible rights, is being amortized regarding the transfer agreement on November 13, 1997 with the Privatization Administration (Note 15).

**Web page development costs**

Costs associated with developing web pages are capitalized and amortized by using straight-line method over their estimated useful lives (Note 15). Following the planning phase and operation; all costs are recognised as expense. Maintenance costs of web pages are accounted as operational expenses.

**Television program rights**

Television program rights (foreign series, foreign films and Turkish films) are initially recognised at acquisition cost of the license when the Group controls, in substance, the respective assets and the risks and rewards attached to them. Television program rights are evaluated to determine if expected revenue is sufficient to cover the unconsumed portion of the program. To the extent that expected revenue is insufficient, the program rights are written down to their net realizable value.

Consumption is based on the transmission of the expected number of runs (vary from two to unlimited) purchased. Amortization of these rights is determined according to release order and number of runs. The appropriateness of the consumption profiles are reviewed regularly by the management. A maximum of 5 runs is applied for the unlimited run purchases. License periods, remaining run rights, sector dynamics and sales forecasts are taken into consideration when determining impairment of program rights.



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

**2.2 Summary of Significant Accounting Policies (continued)**

**Impairment of assets excluding goodwill and intangible assets with infinite useful lives**

At each balance sheet date, the Group evaluates whether there are any indications that an asset other than goodwill or infinite life intangible assets may be impaired. When an indication of impairment exists, carrying value of the assets is compared with the net realizable value which is the higher of value in use and fair value less costs to sell. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Impairment exists if the carrying value of an asset or a cash generating unit including that asset is greater than its recoverable amount which is the higher of value in use or fair value less costs to sell. Impairment losses are recognised in the consolidated statement of profit or loss. Analysis regarding the impairment is presented in Note 2.3.1.

**Taxation on income**

Taxation on income includes current period income taxes and deferred taxes. Current year tax liability consists of tax liability on period income calculated according to currently enacted tax rates and tax legislation in force as of balance sheet date and includes adjustments related to previous year's tax liabilities. Turkish tax legislation does not permit a parent company to file a consolidated tax return for its subsidiary and its joint venture. Therefore, tax provisions, as reflected in the accompanying consolidated financial statements, have been calculated on a separate-entity basis.

Deferred income tax is provided, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date.

Deferred tax liabilities are recognised for all taxable temporary differences, where deferred tax assets resulting from deductible temporary differences are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary difference can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they related to income taxes levied by the same taxation authority (Note 31).

**Financial borrowings and borrowing costs**

Borrowings are recognised initially at the proceeds received, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost using the effective interest method. Any difference between proceeds, net of transaction costs, and the redemption value is recognised in the profit or loss as finance expense over the period of the borrowings (Note 8). The borrowing costs which are directly related with the acquisition, manufacturing or production of a specialty good (means that a long period of time is required to make available for sale and use as purposed) are capitalized as a part of the related asset (Note 14).

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

**2.2 Summary of Significant Accounting Policies (continued)**

**Financial liabilities subject to non-controlling put options**

Under the terms of certain share purchase agreements, the Group may commit to acquire the interests owned by non-controlling shareholders in subsidiaries, upon the request of non-controlling interest holders. TAS 32, "Financial Instruments: Disclosure and Presentation" requires the value of such put option to be presented as a financial liability on the balance sheet for the discounted value of the expected exercise price of this option, notwithstanding the ability of the Company to settle part of these obligations with its own shares and not cash. In addition, the share of non-controlling shareholders in the net asset of the company subject to the put option is presented in "other financial liabilities" instead of "non-controlling interests" in the consolidated balance sheet. The Group presents, at initial recognition, the difference between the exercise price of the option and the carrying value of the non-controlling interests first as a reduction of non-controlling interest and then as addition to the Group's equity. The discount amount and any subsequent change in the fair value of the commitment are recognised in profit or loss as finance income or expense in subsequent periods (Note 8).

**Employment termination benefits**

Under the Turkish Labour Law and Press Labour Law (for employees in the media sector), the Group is required to pay termination benefits to each employee who achieves the retirement age, whose employment is terminated without due cause written in the related laws.

The provision for employment termination benefit represents the present value of the estimated total reserves of the future probable liability of the Group arising from the retirement of the employees measured in accordance with the Turkish Labour and Press Labour Laws (Note 22).

The Group has decided to early adopt the amendment in TAS 19 (Note 2.1.7) in 2012 which will be effective starting from 1 January 2013, and calculated employment benefit in accordance with the report prepared by the actuarial firm and recognized all actuarial loss and gains in the other comprehensive statement of profit or loss as of balance sheet date.

**Provisions, contingent assets and liabilities**

Provisions are recognised when the Group has a present legal or constructive obligation or a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

Contingent liabilities are assessed continually to determine whether an outflow of resources comprising economic benefits has become probable. If it becomes probable that an outflow of future economic benefits will be required for an item previously dealt with as a contingent liability, a provision is recognised in the financial statements of the period in which the change in probability occurs except in the extremely rare circumstances where no reliable estimate can be made.

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

**2.2 Summary of Significant Accounting Policies (continued)**

**Provisions, contingent assets and liabilities (continued)**

If it has become virtually certain that an inflow of economic benefits will arise, the asset and the related income are recognised by the Group in the financial statements of the period in which the change occurs.

Possible assets or obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group are not included in financial tables and are treated as contingent assets or liabilities. A contingent asset is disclosed where an inflow of economic benefit is probable.

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

**Share capital and dividends**

Ordinary shares are classified as equity. Dividend income is recognised as income by the Group when right to obtain of dividend is generated in the consolidated financial statements. Dividend distribution to the Company's shareholders is recognised as a liability in the Group's consolidated financial statements in the period in which the dividends are approved by the General Assembly.

**Revenue recognition**

Revenue is the fair value amount of sales of goods and services received or receivable which resulted from Group's operations. Net sales represent the invoiced value of goods or services shipped less any trade discounts, rebates and commissions and are presented with the elimination of intercompany balances. Revenue includes the invoiced amount of goods and service sales. It is recognized on an accrual basis over the fair value of acquisition amount based on product or service delivery, transfer of significant risks and rewards related to product to the buyer, reliable estimate of revenue amount and probable economic benefits associated with the transaction will be obtained by the Company.

Revenue is initially recognized at the fair value of the consideration received or receivable when it can be measured reliably or when there is an inflow of economic benefits. When the arrangement effectively constitutes a financing transaction, the fair value of the consideration is determined by discounting all future receipts using an imputed rate of interest. The imputed rate of interest is a rate of interest that discounts the nominal amount of the instrument to the current cash sales price of the goods or services (Note 24).

Due date difference income/expense represents income/expense incurred from forward purchases and sales. These forms of incomes/expenses are accepted as finance incomes/expenses obtained from forward purchases and sales during the period and included to financial income/expense (Note 29).

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

**2.2 Summary of Significant Accounting Policies (continued)**

**Revenue recognition (continued)**

**a) Publishing and broadcasting segments**

Revenue from advertisements

Revenue from advertisements is recognised on an accrual and cut-off basis at the time of broadcasting or printing the advertisement in the related media at the invoiced amounts. The part which is not broadcasted or published yet is recognised as deferred income on the balance sheet.

Subscription Income

Subscription income includes the income obtained from Pay Tv and Adsl internet. The Group, follows Pay Tv and Adsl internet subscriptions as individual and institutional. The subscription is realized in basically two ways as monthly payment and prepaid. Subscription incomes are recognized when the related service is delivered to the customer.

Revenues from circulation, magazine sales and distribution

Revenue from newspaper and magazine sales is recognised on an accrual basis at the time of delivery of the newspapers by the distribution company to the dealer at the invoiced values.

Newspaper sales returns and provisions:

Provision for newspaper sales returns is accounted at the time of delivery based on past experiences and recent information of sales returns.

Returns on magazine sales and provisions:

Provision for returns on magazine sales are the provisions provided to reflect the sales income based on matching principle by using statistical data for the previous period, field sales data, etc. when return invoices are not issued although returns are taken off from the market or the issue of magazine period is not expired.

Revenue from printing services

Revenue from printing arises from printing services given to both Group companies and third parties by using Group's printing facilities. Related income is recognised on an accrual basis at the time of services given.

**b) Energy segment**

Revenue is the fair value of amount of electricity delivered the event that the consideration received or receivable. Revenue is recorded at the invoiced amounts, on accrual basis. Net sales are shown after deducting, invoiced electricity delivery, sales commissions and sales taxes. Revenue obtained from transmission charges, is shown in the financial statements by netting off with related costs.

**c) Retail**

Sale income of books, music, movies, electronics and giftware is recorded on an accrual basis over the invoiced amounts, on the date goods are delivered to the customer, after returns and discounts are deducted.

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

**2.2 Summary of Significant Accounting Policies (continued)**

**Revenue recognition (continued)**

**d) Other segment**

Sales revenue is recognized on an accrual basis over the fair value of acquisition amount based on product or service delivery, transfer of significant risks and rewards related to product to the buyer, reliable estimate of revenue amount and most probability that economic benefits associated with the transaction will be obtained by the Company. Net sales have been found by deducting sales returns, discounts and commissions.

*Housing construction projects (Revenue proceeds from buyers)*

The revenue generated from the housing construction projects organized by Milpa, subsidiary of the Group is recognized when the ownership of the risks and rewards of the assets are transferred to the buyer upon the performance of contract terms and the approval of delivery record by the buyer. Real estate marketing income is classified under "other" segment.

*Tourism income*

Tourism income consists of the revenue obtained from accommodation, agency, marina, car rental, and second hand vehicle sale. Accommodation and agency income is recognized when the services are offered to the customers. Marina income consists of the revenue obtained from the accommodation of vessels and store rents. Such rental income is recognized on a straight-line basis over the lease agreements.

*Rent Income*

The rental income from investment properties is recognized on a straight-line basis over the term of the relevant lease.

**Barter agreements**

The Group provides advertising services in return for advertisement and other products and services. When goods or services are exchanged or swapped for goods or services which are of a similar nature and value, the exchange is not regarded as a revenue generating transaction. When goods are sold or services are rendered in exchange for dissimilar goods or services, the exchange is regarded as a revenue generating transaction. Revenue is measured at the fair value of the goods or services received, adjusted by the amount of any cash or cash equivalents transferred. If the fair value of the goods or services received is not measured reliably, the revenue is measured at the fair value of the goods or services supplied, adjusted by the amount of any cash or cash equivalents transferred (Note 18). Barter agreements are recognised on an accrual basis.

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

**2.2 Summary of Significant Accounting Policies (continued)**

**Business combinations**

Business combinations are accounted in accordance with TFRS 3. Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary/associate at the date of acquisition. If the purchase amount is less than the fair value of provisions, contingent assets and liabilities, the subjected difference is identified with comprehensive statement of profit or loss. Goodwill recognised in a business combination is not amortized, instead it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired. If the acquisition cost is lower than the fair value of the identifiable assets, liabilities and contingent liabilities acquired, the difference is accounted for as income in the related period. There are no business combinations which will significantly affect the consolidated financial statements as of and for the year ended 30 September 2014.

Gains or losses resulted from sale or purchase of subsidiaries under the control of Doğan Holding (transactions that do not result in a change in control) are recognised under equity. TAS 27 (Revised) requires ownership decreases or increases which do not result in a change in control to be recorded under equity for accounting periods beginning on or after 1 July 2009. For accounting periods beginning prior to 1 July 2009, the difference resulted in favor of acquisition value in connection with sale or purchase of subsidiaries under the control of the Group which do not result in a change in control was recognised as goodwill.

Business combination of entities under common control is not under the scope of TFRS 3 Business Combinations. The Group doesn't recognize goodwill for these types of transactions. Difference between cash consideration paid as a result of business combination and net asset of the entity is recognized in "Effect of business combinations comprising of entities under common control" account under retained earnings/ (accumulated losses) in equity.

**Foreign currency transactions**

Functional currency

Items included in the financial statements of each Group entity are measured using the currency that best reflects the economic substance of the underlying events and circumstances relevant to that entity. The consolidated financial statements are presented in Turkish Lira, which is the functional currency of Doğan Holding.

Foreign currency transactions and balances

Income and expenses arising in foreign currencies have been translated into TL at the exchange rates prevailing at the transaction date. Monetary assets and liabilities denominated in foreign currencies have been translated into TL at the exchange rates prevailing at the balance sheet dates. Exchange gains or losses arising from the settlement and translation of foreign currency items have been included in the consolidated statement of profit or loss.

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

**2.2 Summary of Significant Accounting Policies (continued)**

**Foreign currency transactions (continued)**

Foreign Group companies

The results of the Group undertakings using a measurement currency other than TL are first translated into Turkish lira by using the average exchange rate for the period. Assets and liabilities of such Group undertakings are translated into TL by using the closing rate at the balance sheet date. Differences arising on retranslation of the opening net assets of such Group undertakings and differences between the average and period-end rates are included in currency translation reserve as a separate item in the shareholders' equity and recognized under total comprehensive income.

A significant portion of the Group's foreign operations are performed in Russia, Europe and Slovenia ("Russia and Eastern Europe ("EE"). Foreign currencies and exchange rates at 30 September 2014 and 31 December 2013 are summarized below:

<b>Country</b>	<b>Currency Unit</b>	<b>30 September 2014</b>	<b>31 December 2013</b>
Eurozone	Euro	2,8914	2,9365
Russia	Ruble	0,0579	0,0652
Ukraine	Grivna	0,1765	0,2670
Romania	New Lei	0,6505	0,6549
Kazakhstan	Tenge	0,0125	0,0139
Belarus	Belarusian Ruble	0,0002	0,0002

**Segment Reporting**

Industrial segment which is an asset and operation group producing goods and services is exposed to different risks and rewards from other industrial segments. Group operations were monitored and reported as five main segments as of 30 September 2014; "Publishing", "Broadcasting" "Retail", "Energy" and "Other" by the management. Group management may change the structure of segment reporting, if they reach the conclusion that new structure may affect financial statement users' decisions and/or it will be useful during the review of financial statements. 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.

Operations were presented as three segments "media", "retail" and "other" in consolidated financial statements until 31 December 2013. After the Group's consideration, energy companies (Note 1) were decided to be presented as a separate segment, which was presented under "other" operations segment before. Accordingly, previous period financial informations in related note were revised in line with the principle of comparison. As a result of merger of Doğan Yayın Holding A.Ş. ("Doğan Yayın Holding") with Dogan Holding by take over with all assets and liabilities as described in "Organization and Nature of Operations" (Note 1), segment reporting of Doğan Yayın Holding's consolidated financial reports until the period ended as of 30 June 2014, has been carried to the consolidated report of Doğan Holding being effective on 30 September 2014. Accordingly, "media" segment, in which operational results of Doğan Yayın Holding was presented, was replaced with "publishing" and "broadcasting" segments and also the results of "Other" segment of Doğan Yayın Holding's consolidated report, in which operations of distribution, factoring and investment was presented, was combined with "Other" segment of Doğan Holding.

In segment reporting, intra-segmental operations are recorded at segment level and inter-segmental operations are recorded as eliminations at consolidation level.

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

**2.2 Summary of Significant Accounting Policies (continued)**

**Earning/ (loss) per share)**

Earning/ (loss) per share are determined by dividing net income/ (loss) by the weighted average number of shares that have been outstanding during the period concerned (Note 32).

In Turkey, companies can increase their issued capital by making a pro-rata distribution of shares ("bonus shares") to existing shareholders from retained earnings. For the purpose of earnings per share computations, such bonus share issuances are regarded as issued shares for all of the periods presented in the financial statements. Accordingly, weighted average number of shares used in earnings per share computations is derived by considering the retrospective effects of the issuances of the shares.

**Non-current assets held for sale and discontinued operations**

Assets held for sale are operations that the Group disposes of or classified as available for sale and cash flows which can be treated as a part separately from the Group. Assets classified as held for sale by the Group and discontinued operations, are measured at the lower of the carrying amount of assets and liabilities related to discontinued operations and fair value less costs to sell (Note 30).

Discontinued operations are components of an entity that either have been disposed of or represent a major part of an entity separately from the Group's operations and cash flows. Operating results as of the Group has ceased its control over its disposal groups are presented separately under "discontinued operations" in the consolidated statement of profit or loss. Prior period consolidated statement of profit or loss is restated for comparative purposes and the results of discontinued operations are also classified under the "discontinued operations" account.

To the results of operations of discontinued operations, gain/loss and tax expense occurring from the sale is included. Gain/loss amount from the sale is calculated as the difference between the book value of net assets disposed and sales value.

**Government grants**

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received (Note 16). Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate.

The Group has received the investment incentive certificate regarding the modernization of its property that is used in its media operations and it is exempt from the Customs Duty and VAT.

**Subsequent events**

In the case that events requiring a correction to be made occur subsequent to the balance sheet date, the Group makes the necessary corrections to the financial statements.

In the case that events not requiring a correction to be made occur subsequent to the balance sheet date, those events are disclosed in the notes of consolidated financial statements.



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

**2.2 Summary of Significant Accounting Policies (continued)**

**Statement of cash flows**

In the statement of cash flows, cash flows during the period are classified under operating, investing or financing activities.

The cash flows raised from operating activities indicate cash flows due to the Group's media and other sales operations.

The cash flows due to investing activities indicate the Group cash flows that are used for and obtained from investments (investments in property, plant and equipment and financial investments).

The cash flows due to financing activities indicate the cash obtained from financial arrangements and used in their repayment.

Cash and cash equivalents include cash and bank deposits and the investments that are readily convertible into cash and highly liquid with three months or less to maturity.

**2.3 Critical Accounting Estimates, Assumptions and Decisions**

**2.3.1. Critical accounting estimates and assumptions**

**a) Estimated impairment of goodwill**

In accordance with the accounting policy mentioned in Note 2.2, goodwill is annually tested for impairment by the Group. Recoverable amount of cash generating units is measured based on the value in use calculations.

Group's goodwill impairment analysis resulting from one of its subsidiary TME, carried out in the scope described in detail below for the interim period ended 30 September 2014.

The recoverable amounts of cash generating units, was determined through calculating the amount that will be generated from operating activities. In these calculations, the five-year period covering the financial budget based on the after-tax cash flow projections are based and EBITDA (budgeted interest, tax, depreciation and amortization, impairment charges and other non-operating expenses EBITDA) estimates in this computation plays an important role.

Subsequent five-year period, the ratio of EBITDA to estimated cash flows and discount rates are listed below.

	EBITDA margin (%)	Discount rate (%)
TME	30	14,3

Group management, has recorded goodwill impairment in the amount of TL 12.719 which ended on 30 June 2014 interim consolidated financial statements for indirect subsidiary TME. (Note 15, 28). Goodwill impairment has been mostly realized due to increase in discount rate that used in the Goodwill impairment test.

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

**2.3 Critical Accounting Estimates, Assumptions and Decisions (continued)**

**2.3.1. Critical accounting estimates and assumptions(continued)**

***a) Estimated impairment of goodwill (continued)***

Considering the calculations made in the current period; the cash-generating unit in the cash flow projections applied to the after-tax discount rate, if the after tax discount rate 1% higher realized from management's estimate, the Group for goodwill 59.180 (31 December 2013: TL 25.962) a further impairment provision will be record and taxes and minority loss before income amount of TL 59.180 (31 December 2013: TL 25.962) would be required to increase the amount.

If the cash-generating unit in the cash flow projections applied to EBITDA ratio is lower than 5%, management's estimate, the Group for goodwill TL 59.391 further impairment provision will be recorded and taxes and minority interest loss before in the financial statements, amount TL 59.391 to increase the case would be.

***b) Vat amount subject to discount within the scope of law no: 6111***

As of November 2011, the Group management has considered the VAT principle amounting to TL 454.281 imposed as a consequence of share exchanges and transfers recognized in the statutory accounts of Doğan TV Holding, D Yapım, Doğan Prodüksiyon and Alp Görsel and restructured within the scope of Law no: 6111 in the year 2011 as input VAT through issuance of "recourse VAT invoice" by each entity who transfers the shares to the respective entity, sequentially with the amount of corresponding VAT imposed. In this context, input VAT amounting to TL 145.328, TL 222.662 and TL 86.291 have been recognized in the statutory records of D Yapım, Doğan Prodüksiyon and Alp Görsel, respectively.

Based on the nature of the transaction and considering the precautionary principle, the Group management elects not to recognize the input VAT amounting to TL 454.281 as an asset in the consolidated financial statements as it will be used in future tax periods. Accordingly, where practicable, input VAT that can be offset against the recourse VAT in the related taxation periods can be recognized in the statement of income in the respective periods (Note 27). Deductible VAT amount is TL 441.710 in statutory accounts as of 30 September 2014.

***c) Probable liabilities related to the share sales agreement signed with Commerz-Film GmbH***

Estimates and assumptions relating to the Group's given repurchase commitments to Axel Springers are described in detail in Note 17 and 36.

***d) Useful lives of intangible assets***

Useful lives of some trademarks are expected to be infinite by the Group management. Where useful lives of related intangible assets are infinite (in case of 20 years), amortization of such intangible assets' would increase by TL 9.981 (30 September 2013: TL 11.116) and profit before tax and non-controlling interests would decrease by TL 9.981 (30 September 2013: TL 11.116).

Amortization is recognized by the Group considering the useful lives of trademarks, customer lists and internet domain names with definite useful lives disclosed in Note 2.2.

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

**2.3 Critical Accounting Estimates, Assumptions and Decisions (continued)**

**2.3.1. Critical accounting estimates and assumptions (continued)**

**d) Useful lives of intangible assets(continued)**

If useful lives of trademarks, customer lists and internet domain names differ 10% from the management's expectations, the effect over the financial statements would be as follows:

- if useful lives were 10% higher, amortization would decrease by TL 1.157 and profit before tax and non-controlling interests would increase by TL 1.157 (30 September 2013: TL 1.095); or
- if useful lives were 10% lower, amortization would increase by TL 1.414 and profit before tax and non-controlling interests would decrease by TL 1.414 (30 September 2013: TL 1.462).

**2.3.2 Critical accounting judgments**

Prepaid phone card (prepaid minutes) sales related with mobile telecommunication services and newspaper and magazine sales (excluding transactions with related parties and newspapers distributed through subscription system) are carried at gross value in the consolidated financial statements by the Group.

Management believes that the decision to record revenue gross versus net is a matter of professional judgment that is dependent upon the relevant facts and circumstances. The Group evaluated the following factors and indicators in coming to the conclusion.

- The Group has the option to determine the selling price, within the existing economic limitations,
- General inventory risk of goods mentioned above belongs to the Group. The Group purchases newspapers and magazines from suppliers and sells them to its dealers through its distribution network. The Group returns unsold newspapers and magazines from dealers to the original supplier. General inventory risk is about approximately a week for newspaper and magazine sales,
- The Group has the collection risk associated with the transaction.

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#### NOTE 3 - BUSINESS COMBINATIONS

##### Current period business combinations

The Group management signed "Share Purchase and Sale Agreement" and the "Partnership Agreement for the Company's Management and Administration" as of 14 August 2014 in order to acquire 90% of A.G.T. Tanıtım Kağıt Ürünleri Sanayi ve Ticaret Anonim Şirketi ("AGT Tanıtım") shares over its balance sheet dated 31 July 2014. In accordance with "Closing Protocol" signed on 16 September 2014, for A.G.T. Tanıtım, which has TL 3.332 equity value, TL 3.000 paid as of 30 September 2014 and remaining balance will be paid in 3 equal installments being USD 365 each on 16 September 2015, 16 September 2016 and 16 September 2017. In the accompanying consolidated financial statements as of 30 September 2014, regarding this acquisition TL 2.732 of goodwill was reflected as a result of temporarily recognition.

Goodwill calculation is presented below;

Cash and cash equivalents	103
Current assets	2.893
Non-current assets	104
Current liabilities	(150)
<b>Fair value of net assets</b>	<b>2.950</b>
Percentage of acquired net assets	%90
Fair value of acquired net assets	
Total acquisition cost	5.785
Less: Cash and cash equivalents of acquired subsidiaries	(103)
Purchasing impact on cash outflow	5.682
Goodwill (Note 15)	2.732

In accordance with TFRS 3 Business Combinations standard, study of determining the fair value of identifiable assets and liabilities in order to recognize by using acquisition method, and accordingly the study of allocation of the acquisition cost study to tangible and intangible assets were continued as of the reporting date fair value of the identifiable assets and liabilities of AGT Tanıtım is reported temporarily as the book value of the related assets and liabilities.

As a result of temporary recognition the difference of TL 2.732 between net book value and acquisition price was recorded as positive goodwill. The Group will complete acquisition accounting in line with TFRS 3 within a year starting from the acquisition date.

##### Prior period business combinations

##### *Acquisition of Elektronik Bilgi İletişim Hizmetleri Reklamcılık ve Ticaret A.Ş.*

D&R, one of the subsidiaries of the Group, has completed acquisition and finished conveyancing of the shares representing the entire share capital of Elektronik Bilgi İletişim Hizmetleri Reklamcılık ve Ticaret A.Ş. ("EBİ") in 2013. The selling price of the shares representing the entire share capital of Elektronik Bilgi İletişim Hizmetleri Reklamcılık ve Ticaret A.Ş. specified by mutual "negotiated procedure" and buy and taken over by the Group's subsidiary D&R from Canan Çelebioğlu, Mehmet Budak, İdil Eser, Cahit Can Tokgöz and Mehmet Kaya (together the "Sellers") with the "Share Purchase and Sale Agreement" on 16 April 2013.

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**NOTE 3 - BUSINESS COMBINATIONS (Continued)**

***Prior period business combinations (Continued)***

***Acquisition of Elektronik Bilgi İletişim Hizmetleri Reklamcılık ve Ticaret A.Ş (continued)***

The closure conditions determined by "Share Purchase and Sale Agreement" are performed by the closure date 10 May 2013 after paying TL 8.369 which is 75% of the revised conveyance/sale price, remaining 25% of sale and conveyance price was revised and finalized as TL 10.039 according to independently audited "Closing Date Finalized Financial Statements", and the rest of the selling price which is TL 1.670 was paid on 24 July 2013, so acquisition and conveyance operation was finalized. The difference amounting to TL 15.429 between net book value of Elektronik Bilgi İletişim Hizmetleri Reklamcılık ve Ticaret A.Ş. and purchase price as a result of temporarily recognition in line with TFRS 3 was recognized as positive goodwill in the consolidated financial statements as of 30 June 2013 (Note 15).

In accordance with TFRS 3, study of determining the fair value of identifiable assets and liabilities in order to recognize by using acquisition method, and accordingly the study of allocation of the acquisition cost study to tangible and intangible assets ("Purchase price allocation study") were concluded as of 31 December 2013 and , temporarily accounted goodwill of TL 13.967 recorded as internet domain name and TL 4.168 was recorded as customer relations. After the study of allocation of relevant purchase price cost, since there is no difference between fair value of acquired net assets and purchase price of EBİ, positive or negative goodwill have not been recognized to the records. EBİ was merged with D&R on 2 October 2013.

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**NOTE 3 - BUSINESS COMBINATIONS (Continued)**

***Prior period business combinations (Continued)***

***Acquisition of Elektronik Bilgi İletişim Hizmetleri Reklamcılık ve Ticaret A.Ş (continued)***

The acquired assets and liabilities of EBI as of 10 May 2013, the fair value adjustments which is context of the purchase price allocation study are as follows:

	EBİ			
	Net Book Value	IFRS Adjustments	Fair Value Adjustment	Fair Value
<b>Current assets</b>				
Cash and cash equivalents	505	-	-	505
Trade and other receivables	810	-	-	810
Inventories	3.362	-	-	3.362
Other current assets	623	-	-	623
<b>Non-current assets</b>				
Tangible assets	945	-	-	945
Intangible assets	1.821	-	-	1.821
<i>Internet domain name (İdefix)</i>	-	-	11.108	11.108
<i>Internet domain name (Prefix)</i>	-	-	2.859	2.859
<i>Customer lists (İdefix)</i>	-	-	3.597	3.597
<i>Customer lists (Prefix)</i>	-	-	571	571
Deferred tax assets	-	921	-	921
<b>Short term liabilities</b>				
Financial borrowings	(3.147)	-	-	(3.147)
Trade payables	(8.755)	-	-	(8.755)
Other short term liabilities	(1.123)	-	-	(1.123)
<b>Long term liabilities</b>				
Long-term financial borrowings	(283)	-	-	(283)
Other long term liabilities	(148)	-	-	(148)
Deferred tax liabilities	-	-	(3.627)	(3.627)
	(5.390)	921	14.508	10.039
	<b>TL</b>			
Cash paid		10.039		
Cash and cash equivalents of acquired company (-)		(505)		
Net cash outflow		9.534		
Transferred amount		10.039		
Book value of net assets of acquired companies		10.039		
Goodwill		-		

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**NOTE 3 - BUSINESS COMBINATIONS (Continued)**

***Prior period business combinations (Continued)***

***Acquisition of Elektronik Bilgi İletişim Hizmetleri Reklamcılık ve Ticaret A.Ş. (continued)***

***Acquisition of Doğan İnternet Yayıncılığı ve Yatırım A.Ş.***

Within the interim period ended by 30 September 2013, the Group acquired Doğan İnternet Yayıncılığı ve Yatırım A.Ş., an entity under common control, in consideration of TL 10.928. The difference amounting to TL 7.640 between net asset value and the cash paid was recognized in related account under equity attributable to the parent company.

***Acquisition of D-Tes shares***

75 % share acquisition process of D-Tes, which had been recognized as a joint venture as of 31 December 2012, has been concluded by 24 July 2013 with value TL 40 and TL 233 negative goodwill has been recorded as other operating income from investment activities.

**NOTE 4 – INVESTMENTS ACCOUNTED FOR BY THE EQUITY METHOD**

Joint ventures of Doğan Holding, registered countries, nature of their businesses and business and geographic segments are summarized as follows:

Joint venture	Country	Nature of business	Entrepreneurial partner
Doğan Burda Dergi Yayıncılık ve Pazarlama A.Ş. ("Doğan Burda")	Turkey	Magazine publishing	Burda GmbH
Dergi Pazarlama Planlama ve Ticaret A.Ş. ("DPP")	Turkey	Planning	Burda GmbH
ASPM Holding B.V.	Netherland	Internet publishing	Autoscout24 GmbH
Doğan ve Egmont Yayıncılık ve Yapımcılık Ticaret A.Ş. ("Doğan Egmont")	Turkey	Magazine printing	Egmont
Ultra Kablolu Televizyon ve Telekomünikasyon Sanayi ve Ticaret A.Ş. ("Ultra Kablolu")	Turkey	Telecommunication	Koç Holding A.Ş.
Katalog Yayın ve Tanıtım Hizmetleri A.Ş. ("Katalog")	Turkey	Guide publishing	Seat Pagine Gialle SPA
Boyabat Elektrik Üretim ve Ticaret A.Ş. ("Boyabat Elektrik")	Turkey	Energy	Unit Investment N.V. Doğuş Holding A.Ş.
Aslancık Elektrik Üretim A.Ş. ("Aslancık Elektrik")	Turkey	Energy	Doğuş Holding A.Ş. ve Anadolu Endüstri Holding A.Ş.
İsedaş İstanbul Elektrik Dağıtım Sanayi ve Ticaret A.Ş. ("İsedaş")	Turkey	Energy	Tekser İnşaat Sanayi ve Ticaret A.Ş. ve Çukurova Holding A.Ş.
Gas Plus Erbil Ltd. ("Gas Plus Erbil")	Jersey	Energy	Newage Alzarooni Limited
DD Finansman A.Ş. ("DD Finansman") <sup>(1)</sup>	Turkey	Housing finance	Deutsche Bank AG
Nakkaştepe Gayrimenkul Yatırımları İnşaat Yönetim ve Ticaret A.Ş. ("Nakkaştepe Gayrimenkul")	Turkey	Real estate	Rönesans Gayrimenkul Yatırım A.Ş.
Kandilli Gayrimenkul Yatırımları Yönetim İnşaat ve Ticaret A.Ş.	Turkey	Real estate	Rönesans Gayrimenkul Yatırım A.Ş.
SP Pronto Kiev	Ukrainian Newspaper and internet publishing		Feba Ltd., Tov Astra
TOV E-Prostir	Ukrainian	Internet publishing	Publishing International Holding B.V. Adrey I. Parkhomenko, Dimitrienko S. Nadia G. Malyarova

(1) Trade name of the related joint venture has been changed as "DD Finansman A.Ş." as of 8 July 2014.

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**NOTE 4 – INVESTMENTS ACCOUNTED FOR BY THE EQUITY METHOD (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 September 2014 and 31 December 2013:

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 (%)		Proportion of effective ownership interest (%)	
	30September 2014	31 December 2013	30 September 2014	31 December 2013	30September 2014	31 December 2013	30September 2014	31December 2013
Doğan Burda	44,89	44,89	0,27	0,27	45,16	45,16	44,89	35,92
DPP	46,00	46,00	10,00	10,00	56,00	56,00	46,00	36,81
SP Pronto Kiev	50,00	50,00	-	-	50,00	50,00	28,84	23,90
TOV E-Prostir	50,00	50,00	-	-	50,00	50,00	28,84	23,90
ASPM Holding B.V.	37,89	37,88	-	-	37,89	37,88	29,42	24,38
Doğan Egmont	50,00	50,00	-	-	50,00	50,00	50,00	40,01
Ultra Kablolu <sup>(1)</sup>	50,00	50,00	-	-	50,00	50,00	50,00	40,01
Katalog <sup>(2)</sup>	50,00	50,00	-	-	50,00	50,00	50,00	40,01
Boyabat Elektrik	33,00	33,00	-	-	33,00	33,00	33,00	33,00
Aslancık Elektrik	33,33	33,33	-	-	33,33	33,33	33,33	33,33
Gas Plus Erbil	50,00	50,00	-	-	50,00	50,00	50,00	50,00
İsedaş <sup>(3)</sup>	45,00	45,00	-	-	45,00	45,00	45,00	45,00
DD Finansman	47,00	47,00	4,00	4,00	51,00	51,00	47,00	47,00
Nakkaştepe Gayrimenkul	50,00	50,00	-	-	50,00	50,00	50,00	50,00
Kandilli Gayrimenkul	50,00	50,00	-	-	50,00	50,00	50,00	50,00

- (1) The related joint venture has ceased its operations as of November 2006.  
(2) The related joint venture has ceased its operations as of September 2009.  
(3) Liquidation process of the related joint venture has been stopped as of 2 June 2014.



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**NOTE 4 – INVESTMENTS ACCOUNTED FOR BY THE EQUITY METHOD  
(Continued)**

Summary of financial statements, current assets, non-current assets, current and non-current liabilities, summary of income statement, for period and equity attributable to Doğan Holding of the joint ventures consolidated by using the equity method in the condensed consolidated financial statements, are as follows:

	<b>30 September 2014</b>	<b>31 December 2013</b>
Current assets	646.456	719.751
Non-current assets	3.147.260	3.155.125
<b>Total assets</b>	<b>3.793.716</b>	<b>3.874.876</b>
Short-term liabilities	793.534	806.135
Long-term liabilities	2.330.535	2.299.122
<b>Total liabilities</b>	<b>3.124.069</b>	<b>3.105.257</b>
<b>Net assets</b>	<b>669.647</b>	<b>769.619</b>
<b>Group's share in net assets of investment accounted or by the equity method</b>	<b>316.147</b>	<b>340.637</b>

<b>Income Statement:</b>	<b>1 January - 30 September 2014</b>	<b>1 July - 30 September 2014</b>	<b>1 January - 30 September 2013</b>	<b>1 July - 30 September 2013</b>
Revenue	343.842	141.175	309.479	125.975
Cost of sales (-)	(256.101)	(79.676)	(203.115)	(72.156)
<b>Gross operating profit</b>	<b>87.741</b>	<b>61.499</b>	<b>106.364</b>	<b>53.819</b>
General administration expenses (-)	(32.300)	(10.282)	(28.441)	(8.448)
Marketing, sales and distribution expenses (-)	(40.156)	(12.720)	(38.930)	(13.351)
Other operating (expenses)/income, net	(4.056)	(332)	(12.960)	(673)
Financial (expenses)/income, net	(167.317)	(115.152)	(373.372)	(153.594)
<b>Profit/ (loss) before income taxes</b>	<b>(156.088)</b>	<b>(76.987)</b>	<b>(347.339)</b>	<b>(122.247)</b>
Tax expense for the period	(2.421)	(226)	(2.142)	(3)
Deferred tax income/ (expense)	(25.870)	6.349	16.126	(582)
<b>Net loss for the period</b>	<b>(184.379)</b>	<b>(70.864)</b>	<b>(333.355)</b>	<b>(122.832)</b>
<b>Group's share in net loss of the investments by equity method</b>	<b>(59.960)</b>	<b>(28.638)</b>	<b>(98.691)</b>	<b>(36.030)</b>

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**NOTE 4 – INVESTMENTS ACCOUNTED FOR BY THE EQUITY METHOD (Continued)**

**Financial Liabilities**

	<b>30 September 2014</b>	<b>31 December 2013</b>
Boyabat Elektrik	2.037.746	1.994.812
Aslancık Elektrik	344.409	343.529
DD Finansman	400.458	313.154
Other	119	4.944
<b>Total</b>	<b>2.782.732</b>	<b>2.656.439</b>

**Financial borrowings**

***Boyabat Elektrik***

Group's joint venture Boyabat Elektrik's construction of 513MW installed capacity dam-type hydroelectric power plant project at the township Boyabat in the province Sinop is after obtaining the necessary regulatory approvals became operational in 5 December 2012. Boyabat Elektrik's investment has been financed with the combination of debt and equity. According to preliminary protocol signed on 25 July 2008 and 31 August 2009 and credit contract signed on 15 January 2010, USD 750.000 credit is provided to Boyabat Elektrik by Turkish commerce banks' consortium. Bank loan has been fully paid by Boyabat, as of 28 June 2013. Boyabat paid early closure fee amounting to TL 26.759 due to the early payment. Boyabat Elektrik obtained bank loan amounting to USD 540.000 and EUR 276.392 with interest rates of 3 months Libor+ 4% as of 28 June 2013 and by the balance sheet date entire amount of USD 540.000 and EUR 276.392 bank loans had been used. Boyabat Elektrik used a loan of USD 7.500 with an interest rate of 4.25% on 31 December 2013 and USD 30.000 with an interest rate ranging from 4% and 4.25% in 2014. Boyabat Elektrik paid back the principal payments as USD 26.341 of loan USD 540.000 and EUR 13.483 of loan EUR 276.392 and USD 10.000 of total loan as USD 30.000 used withing 2014. As of 30 September 2014, remaining liability for the loans is TL 2.037.746.

Under the loan agreement signed entire shares of Boyabat Elektrik were pledged on behalf of lender banks.

***Aslancık Elektrik***

Group's joint venture Aslancık Elektrik's construction of 120 MWm /93 MWe installed capacity hydro energy production facility in Giresun, Doğankent began in 2010 Based on the loan agreement signed on 24 January 2011, in total USD 160.000 of loan was provided to Aslancık Elektrik. In this context, Aslancık Elektrik used USD 160.000 amounted bank loan until 31 December 2013, and in accordance with re-payment schedule, payments reaching to maturity are made.As of 30 September 2014 amount of remaining credit is TL 344.409.

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**NOTE 4 – INVESTMENTS ACCOUNTED FOR BY THE EQUITY METHOD (Continued)**

***Aslancık Elektrik (Continued)***

Under the loan agreement was signed on 24 January 2011, the same date that the contract in addition to the share pledge agreement and an additional share pledge agreements signed with various dates on all of the shares in accordance with the Aslancık Elektrik pledged in favor of financial institutions..

**Fixed Assets**

	<b>30 September 2014</b>	<b>31 December 2013</b>
Boyabat Elektrik	1.948.149	1.943.746
Aslancık Elektrik	412.141	391.689
DD Finansman	1.171	1.486
Other	4.058	1.835
<b>Total</b>	<b>2.365.519</b>	<b>2.338.756</b>

Total amount related to the effective rate of the Group's share of deprecation and amortization of investments accounted for by the equity method is TL 18.916 (30 September 2013: TL 15.703).

**NOTE 5 - SEGMENT REPORTING**

**a) External revenue**

	<b>1 January - 30 September 2014</b>	<b>1 January - 30 September 2013</b>
Publishing	952.589	989.845
Broadcasting	833.333	823.399
Retail	361.891	279.800
Energy	207.578	103.775
Other	279.456	231.926
	<b>2.634.847</b>	<b>2.428.745</b>

**b) Profit /(loss) before income taxes**

	<b>1 January - 30 September 2014</b>	<b>1 January - 30 September 2013</b>
Publishing	(5.815)	(1.152)
Broadcasting	(134.876)	(60.100)
Retail	5.036	2.911
Energy	(79.931)	(148.869)
Other	101.811	169.209
	<b>(113.775)</b>	<b>(38.001)</b>

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**NOTE 5 - SEGMENT REPORTING (Continued)**

**c) Segmental analysis for the interim period ended 1 January -30 September 2014;**

	<b>Publishing</b>	<b>Broadcasting</b>	<b>Retail</b>	<b>Energy</b>	<b>Other</b>	<b>Inter segment elimination</b>	<b>Total</b>
External revenue	952.589	833.333	361.891	207.578	279.456	-	2.634.847
Inter segment revenue	31.719	14.680	-	17.525	30.161	-	94.085
<b>Total revenue</b>	<b>984.308</b>	<b>848.013</b>	<b>361.891</b>	<b>225.103</b>	<b>309.617</b>	<b>-</b>	<b>2.728.932</b>
Revenue	984.308	848.013	361.891	225.103	309.617	(94.085)	2.634.847
Cost of sales	(699.720)	(730.659)	(226.412)	(187.869)	(220.668)	52.918	(2.012.410)
<b>Gross profit</b>	<b>284.588</b>	<b>117.354</b>	<b>135.479</b>	<b>37.234</b>	<b>88.949</b>	<b>(41.167)</b>	<b>622.437</b>
General administrative expenses	(139.344)	(79.426)	(9.621)	(3.769)	(70.816)	31.130	(271.846)
Marketing selling and distribution expenses	(126.999)	(103.747)	(122.228)	(19.506)	(14.051)	8.608	(377.923)
Share of gain/ (loss) on investments accounted for by using equity method	4.736	-	-	(62.744)	(1.952)	-	(59.960)
Other income/(expenses) from operations, net	62.671	(9.358)	(420)	3.853	68.128	(52)	124.822
Income/ (Expense) from investing activities	5.920	3.170	-	(7.323)	49.827	(2.603)	48.991
Financial income / (expenses)	(97.387)	(62.869)	1.826	(27.676)	(18.274)	4.084	(200.296)
<b>Profit/ (Loss) before income taxes</b>	<b>(5.815)</b>	<b>(134.876)</b>	<b>5.036</b>	<b>(79.931)</b>	<b>101.811</b>	<b>-</b>	<b>(113.775)</b>

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**NOTE 5 - SEGMENT REPORTING (Continued)**

**c) Segmental analysis for the interim period ended 1 July -30 September 2014;**

	<b>Publishing Broadcasting</b>		<b>Retail</b>	<b>Energy</b>	<b>Other</b>	<b>Inter segment elimination</b>	<b>Total</b>
External revenue	292.546	244.103	125.686	70.087	115.369	-	847.791
Inter segment revenue	15.257	3.872	-	10.018	9.944	-	39.091
<b>Total revenue</b>	<b>307.803</b>	<b>247.975</b>	<b>125.686</b>	<b>80.105</b>	<b>125.313</b>	<b>-</b>	<b>886.882</b>
Revenue	307.803	247.975	125.686	80.105	125.313	(39.091)	847.791
Cost of sales	(220.207)	(229.067)	(78.749)	(69.376)	(79.736)	34.453	(642.682)
<b>Gross profit</b>	<b>87.596</b>	<b>18.908</b>	<b>46.937</b>	<b>10.729</b>	<b>45.577</b>	<b>(4.638)</b>	<b>205.109</b>
General administrative expenses	(47.017)	(17.715)	(3.513)	(1.115)	(32.749)	224	(101.885)
Marketing selling and distribution expenses	(43.987)	(37.850)	(41.339)	(6.678)	(6.421)	2.971	(133.304)
Share of gain/ (loss) on investments accounted for by using equity method	1.325	-	-	(29.449)	(514)	-	(28.638)
Other income/(expenses) from operations, net	19.022	(14.864)	(736)	6.491	55.576	1.811	67.300
Income/ (Expense) from investing activities	30.889	947	-	(1.069)	55.839	(2.602)	84.004
Financial income / (expenses)	(51.214)	(43.492)	1.433	(15.069)	(15.667)	2.412	(121.597)
<b>Profit/ (Loss) before income taxes</b>	<b>(3.386)</b>	<b>(94.066)</b>	<b>2.782</b>	<b>(36.160)</b>	<b>101.641</b>	<b>178</b>	<b>(29.011)</b>

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 30 SEPTEMBER 2014**

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

**NOTE 5 - SEGMENT REPORTING (Continued)**

**c) Segmental analysis for the interim period ended 1 January -30 September 2013;**

	<b>Publishing</b>	<b>Broadcasting</b>	<b>Retail</b>	<b>Energy</b>	<b>Other</b>	<b>Inter segment elimination</b>	<b>Total</b>
External revenue	989.845	823.399	279.800	103.775	231.926	-	2.428.745
Inter segment revenue	36.757	16.925	2.534	19.832	26.436	-	102.484
<b>Total revenue</b>	<b>1.026.602</b>	<b>840.324</b>	<b>282.334</b>	<b>123.607</b>	<b>258.362</b>	<b>-</b>	<b>2.531.229</b>
Revenue	1.026.602	840.324	282.334	123.607	258.362	(102.484)	2.428.745
Cost of sales	(708.773)	(622.981)	(174.479)	(96.718)	(202.513)	39.730	(1.765.734)
<b>Gross profit</b>	<b>317.829</b>	<b>217.343</b>	<b>107.855</b>	<b>26.889</b>	<b>55.849</b>	<b>(62.754)</b>	<b>663.011</b>
General administrative expenses	(141.797)	(82.718)	(8.832)	(2.276)	(71.932)	49.300	(258.255)
Marketing selling and distribution expenses	(138.052)	(98.202)	(96.104)	(145)	(9.591)	14.666	(327.428)
Share of gain/ (loss) on investments accounted for by using equity method	1.577	(181)	-	(102.478)	2.391	-	(98.691)
Other income/(expenses) from operations, net	43.625	(506)	1.128	(20)	215.907	(15.767)	244.367
Income/ (Expense) from investing activities	2.972	45.991	408	-	27.741	12.348	89.460
Financial income / (expenses)	(87.306)	(141.827)	(1.544)	(70.839)	(51.156)	2.207	(350.465)
<b>Profit/ (Loss) before income taxes</b>	<b>(1.152)</b>	<b>(60.100)</b>	<b>2.911</b>	<b>(148.869)</b>	<b>169.209</b>	<b>-</b>	<b>(38.001)</b>

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**NOTE 5 - SEGMENT REPORTING (Continued)**

**c) Segmental analysis for the interim period ended 1 July -30 September 2013;**

	<b>Publishing</b>	<b>Broadcasting</b>	<b>Retail</b>	<b>Energy</b>	<b>Other</b>	<b>Inter segment elimination</b>	<b>Total</b>
External revenue	250.378	234.396	101.822	30.759	102.854	-	720.209
Inter segment revenue	27.875	4.521	5.897	22.423	(11.108)	-	49.608
<b>Total revenue</b>	<b>278.253</b>	<b>238.917</b>	<b>107.719</b>	<b>53.182</b>	<b>91.746</b>	<b>-</b>	<b>769.817</b>
Revenue	278.253	238.917	107.719	53.182	91.746	(49.608)	720.209
Cost of sales	(186.562)	(200.464)	(66.661)	(38.817)	(70.030)	18.523	(544.011)
<b>Gross profit</b>	<b>91.691</b>	<b>38.453</b>	<b>41.058</b>	<b>14.365</b>	<b>21.716</b>	<b>(31.085)</b>	<b>176.198</b>
General administrative expenses	(49.691)	(27.004)	(4.267)	731	(19.656)	26.586	(73.301)
Marketing selling and distribution expenses	(42.919)	(32.999)	(34.245)	(75)	(3.223)	4.450	(109.011)
Share of gain/ (loss) on investments accounted for by using equity method	386	(189)	-	(39.367)	3.140	-	(36.030)
Other income/(expenses) from operations, net	18.504	2.482	776	(14)	107.191	(13.128)	115.811
Income/ (Expense) from investing activities	2.031	20.312	408	-	(23.056)	12.348	12.043
Financial income / (expenses)	(29.143)	(63.470)	(2.654)	(30.645)	(11.726)	427	(137.211)
<b>Profit/ (Loss) before income taxes</b>	<b>(9.141)</b>	<b>(62.415)</b>	<b>1.076</b>	<b>(55.005)</b>	<b>74.386</b>	<b>(402)</b>	<b>(51.501)</b>

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**NOTE 5 - SEGMENT REPORTING (Continued)**

**d) Segment assets**

	<b>30 September 2014</b>	<b>31 December 2013</b>
<b><u>Total assets</u></b>		
Publishing	1.435.161	1.758.992
Broadcasting	1.319.055	1.276.501
Retail	247.101	217.682
Energy	1.446.986	1.108.106
Other	8.448.923	7.369.597
	<b>12.897.226</b>	<b>11.730.878</b>
Less: segment elimination <sup>(1)</sup>	(5.776.208)	(4.142.905)
<b>Total assets per consolidated financial statements</b>	<b>7.121.018</b>	<b>7.587.973</b>
<b><u>Shareholder's equity</u></b>		
Publishing and broadcasting	1.269.628	1.492.720
Retail	69.161	61.228
Energy	533.123	536.002
Other	7.704.120	3.842.369
<b>Total</b>	<b>9.576.032</b>	<b>5.932.319</b>
Less: segment elimination <sup>(2)</sup>	(5.832.560)	(1.931.884)
<b>Total shareholders' equity per consolidated financial statements</b>	<b>3.743.472</b>	<b>4.000.435</b>
Non-controlling interests	(297.313)	(750.248)
<b>Total shareholder's equity</b>	<b>3.446.159</b>	<b>3.250.187</b>

(1) Segment elimination amount consists of the elimination of the shares of publishing, broadcasting, retail and energy companies and reciprocal debit and credit balances between publishing, broadcasting, retail, energy and other segment.

(2) Segment elimination amount represents reciprocal elimination of adjusted capital amount within all segment's total equity and subsidiary amount.



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

**NOTE 5 - SEGMENT REPORTING (Continued)****e) Capital expenditures for property, plant and equipment, intangible assets and investment properties with depreciation and amortization charge**

	<b>1 January - 30 September 2014</b>	<b>1 July- 30 September 2014</b>	<b>1 January - 30 September 2013</b>	<b>1 July - 30 September 2013</b>
<b><u>Purchases</u></b>				
Publishing	33.829	11.634	28.118	6.311
Broadcasting	143.059	43.899	132.568	42.459
Retail	9.322	1.017	5.100	1.346
Energy	2.718	469	21.946	6
Other	20.430	5.458	25.296	13.702
<b>Total</b>	<b>209.358</b>	<b>62.477</b>	<b>213.028</b>	<b>63.824</b>
<b><u>Amortization and depreciation</u></b>				
Publishing	58.226	17.538	62.635	20.901
Broadcasting	123.056	45.352	83.949	27.415
Retail	6.094	2.288	4.687	1.304
Energy	17.996	6.051	17.087	5.951
Other	17.111	5.412	17.931	6.384
<b>Total</b>	<b>222.483</b>	<b>76.641</b>	<b>186.289</b>	<b>61.955</b>

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**NOTE 6 – CASH AND CASH EQUIVALENTS**

The details of cash and cash equivalents at 30 September 2014 and 31 December 2013 are as follows:

	<b>30 September 2014</b>	<b>31 December 2013</b>
Cash	1.948	2.318
Banks		
- demand deposits	111.412	221.924
- time deposits	1.798.091	1.772.662
Other current assets	67.477	219.457
	<b>1.978.928</b>	<b>2.216.361</b>

As of 30 September 2014 the effective interest rates of USD, EUR and TL denominated time deposits are between %0,15 and %6,00 (31 December 2013: %0,35-%6,00), %0,05 and %6,75 (31 December 2013: %0,2 -%6,75) and %7,00 and %11,00 (31 December 2013: %5,98 -%10,16), respectively and its maturity is shorter than 3 months.

As of 30 September 2014, other current assets consist of credit card slip receivables amounting to TL 65.095 (31 December 2013:72.152) and blocked deposits, mainly belonging to Doğan Holding due to bank borrowings of the Group's subsidiaries, amounting to TL 2.382 (31 December 2013: TL 147.305).

Cash and cash equivalents disclosed in the consolidated statements of cash flows for the periods ended 30 September 2014, 31 December 2013, 30 September 2013 and 31 December 2012 are as follows:

	<b>30 September 2014</b>	<b>31 December 2013</b>	<b>30 September 2013</b>	<b>31 December 2012</b>
Cash and cash equivalents	1.978.928	2.216.361	1.994.357	2.160.698
Accrued interest (-)	(8.476)	(7.354)	(7.638)	(29.833)
<b>Cash and cash equivalents</b>	<b>1.970.452</b>	<b>2.209.007</b>	<b>1.986.719</b>	<b>2.130.865</b>

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**NOTE 7 - FINANCIAL INVESTMENTS**

**a) Short-term financial investments**

	<b>30 September 2014</b>	<b>31 December 2013</b>
Government bonds and treasury bills	106.423	136.465
	<b>106.423</b>	<b>136.465</b>

Government bonds and treasury bills dominated in TL, USD and Euro, and interest rates are %8,30, %7,10 and %5,60 (31 December 2013: TL 9,58%, USD 6,46%, EUR5,64 %).

**b) Long-term financial investments**

Group's available for sale financial assets(Note 2.1.3.d.) classified as long term financial investments as follows :

	<b>30 September 2014</b>		<b>31 December 2013</b>	
	<b>TL</b>	<b>%</b>	<b>TL</b>	<b>%</b>
Aks Televizyon Reklamcılık ve				
Filmcilik Sanayi ve Ticaret A.Ş. ("Aks TV")	2.923	9	2.923	9
POAŞ <sup>(1)</sup>	810	<1	803	<1
Anten Teknik Hizmetler ve Verici Tesis İşletme A.Ş.	1.067	<1	800	<1
Lexin Nassau L.P. <sup>(2)</sup>	23.587	22,15	-	-
Other <sup>(3)</sup>	2.801	<1	1.440	<1
Less: provision for impairment <sup>(4)</sup>	(2.923)		(2.923)	
	<b>28.265</b>		<b>3.043</b>	

(1) After the removal of restriction on shares, "Restricted shares" which correspond to 0,03% of POAŞ's capital (calculated as 192.500 (exact) shares as of the current situation) are decided to be transferred to OMV Enerji Holding A.Ş in a total cash consideration of EUR 600.000. Since the related share transfer has not been realized as of 30 September 2014, 192.500 shares that Group shares are recognized at fair value, which is calculated by using the market price of shares.

(2) The entity is the subsidiary of M Investment which has been established by the Group's subsidiary Milta on 14 April 2014 for real estate investments in America.

(3) The entities established for sales and marketing of the products, produced by the Group's subsidiary Ditaş, in America and and Asia-Pacific countries; Ditaş America established on 30 May 2014 and Ditaş Trading 19 June 2014 have not been consolidated by full consolidation method since they have not started to operate as of 30 September 2014 and financial investments amounting to TL 641 classified in "other".

(4) As of 30 September 2014 long term financial invesment except POAŞ are carried at the cost value. There is TL 2.923 impairment on Aks TV. (31 December 2013: 2.923).

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**NOTE 8 – SHORT AND LONG TERM FINANCIAL BORROWINGS**

**a) Financial borrowing**

The details of financial borrowings at 30 September 2014 and 31 December 2013 are as follows:

<b>Short-term financial borrowings:</b>	<b>30 September 2014</b>	<b>31 December 2013</b>
Short term bank borrowings	444.071	595.843
Interest bearing payables to suppliers	4.399	6.436
Finance lease borrowings	11.501	10.251
<b>Total</b>	<b>459.971</b>	<b>612.530</b>

<b>Short-term portion of long-term financial borrowings:</b>	<b>30 September 2014</b>	<b>31 December 2013</b>
Short-term portion of long-term bank borrowings	457.814	426.418
<b>Total</b>	<b>457.814</b>	<b>426.418</b>

<b>Long-term financial borrowings:</b>	<b>30 September 2014</b>	<b>31 December 2013</b>
Long term bank borrowings	1.185.812	1.046.356
Interest bearing payables to suppliers	-	4.693
Finance lease borrowings	2.801	8.390
<b>Total</b>	<b>1.188.613</b>	<b>1.059.439</b>

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**NOTE 8 - SHORT AND LONG TERM FINANCIAL BORROWINGS (Continued)**

Details of the bank borrowings as of 30 September 2014 and 31 December 2013 are as follows:

	30 September 2014			31 December 2013		
	Interest rate per annum (%)	Original foreign currency	TL	Interest rate per annum (%)	Original foreign currency	TL
<b>Short-term bank borrowings:</b>						
TL denominated bank borrowings	0 - 11,25	235.121	235.121	0 - 10,30	131.454	131.454
USD denominated bank borrowings	3,95 - 5,5	27.398	62.437	3,25 - 5,45	160.724	343.033
EUR denominated bank borrowings	0,12 - 5,32	50.672	146.513	3,50 - 5,08	41.327	121.356
<b>Sub-total</b>			<b>444.071</b>			<b>595.843</b>
<b>Short-term portion of long-term bank borrowings:</b>						
TL denominated bank borrowings	6,61 - 13,75	19.014	19.014	11,20	2.890	2.890
USD denominated bank borrowings	2,75 - 6,42	169.088	385.334	3-6,45	186.575	398.207
EUR denominated bank borrowings	3,25 - 5,32	18.491	53.466	3,25-5,71	8.623	25.321
<b>Sub-total</b>			<b>457.814</b>			<b>426.418</b>
<b>Total short-term bank borrowings</b>			<b>901.885</b>			<b>1.022.261</b>
<b>Long-term bank borrowings:</b>						
TL denominated bank borrowings	0 - 10,98	336.824	336.824	9,75 - 11,20	104.124	104.124
USD denominated bank borrowings	1,01 - 6,25	180.346	410.991	3,25 - 6,25	242.138	516.795
EUR denominated bank borrowings	3,25 - 5,32	151.483	437.997	3,25 - 5,71	144.879	425.437
<b>Total long-term bank borrowings</b>			<b>1.185.812</b>			<b>1.046.356</b>

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**NOTE 8 - SHORT AND LONG TERM FINANCIAL BORROWINGS (Continued)**

The redemption schedule of long-term bank borrowings as of 30 September 2014 and 31 December 2013 is as follows:

	<b>30 September 2014</b>	<b>31 December 2013</b>
2014	-	26.425
2015	226.771	312.675
2016	638.554	500.022
2017 and after	320.487	207.234
	<b>1.185.812</b>	<b>1.046.356</b>

The floating rate bank borrowings of the Group denominated in USD have interest rates fluctuating between 3-month Libor + 5,0% and 6-month Libor + 0,5 % (31 December 2013: Libor +0,85 and Libor+ 5,00%).

Carrying value of the financial liabilities is considered to approximate their fair value since discount effect is not material. Group borrows loans on fixed and floating interest rates

**Commitments and financial terms about borrowings**

**Publishing**

OOO Pronto Moscow's, one of the indirect subsidiaries of the Group, bank loan which is classified under the long-term financial liabilities amounting to USD 70.000 with 6,25% interest rate and maturity date of 20 April 2016. Deposit amounting to USD 70.000 has been blocked as collateral in accordance with the loan agreement of Doğan Holding. (Note 19).

***Energy***

**Galata Wind**

Subsidiary of the Group in respect of the loans used by Galata Wind has certain financial covenants that must be met are available. Defined in the credit agreement "Debt Service Coverage Ratio" (DSCR) should be minimum 1,05. Borrowers and guarantors, committed DSCR to be at this level until the debt has been paid back completely. The minimum rate of DSCR, determined by loan agreement remained below two times in a row and then deemed in a default state when not decrease to the minimum level of DSCR through a capital increase. DSCR calculations are reviewed as June and December once in every six months by covering previous year.

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**NOTE 8 - SHORT AND LONG TERM FINANCIAL BORROWINGS (Continued)**

**Finance lease liabilities:**

The Group acquired property, plant and equipment through finance leases. As of 30 September 2014, total lease payment commitments of the Group relating to such short and long term lease agreements amount to TL 14.302 (31 December 2013: TL 18.641).

The redemption schedules of long-term leasing payables at 30 September 2014 and 31 December 2013 are summarized below.

	<b>30 September 2014</b>	<b>31 December 2013</b>
2015 and after	2.801	8.390
	<b>2.801</b>	<b>8.390</b>

Allocation of borrowings with fixed and floating interest rates of the Group as of 30 September 2014 and 31 December 2013 are as follows:

	<b>30 September 2014</b>	<b>31 December 2013</b>
Loans with fixed interest rates (Note 34)	1.341.467	988.748
Loans with floating interest rates (Note 34)	760.532	1.098.510
<b>Total</b>	<b>2.101.999</b>	<b>2.087.258</b>

**Interest bearing payables to suppliers**

Interest bearing payables to suppliers are related to the machinery and equipment purchases of Hürriyet and, a subsidiary of Doğan Holding. Interest rates of these short and long-term payables in EUR 1,60% (31 December 2013: EUR 1,60%).

The maturity analysis of long-term interest bearing payables to suppliers at 30 September 2014 and 31 December 2013 as follows:

	<b>30 September 2014</b>	<b>31 December 2013</b>
2015 and after	-	4.693
<b>Total</b>	<b>-</b>	<b>4.693</b>

As of 30 September 2014, the Group's short-term financial liabilities to suppliers issued at variable interest rates are amounting to TL 4.399 (31 December 2013: TL 6.436), long-term financial liabilities at variable interest is not available (31 December 2013: TL 2.226). As of 30 September 2014 long-term financial liabilities to suppliers at fixed rate is not available (31 December 2013: TL 2.467) (Note 34).

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**NOTE 8 - SHORT AND LONG TERM FINANCIAL BORROWINGS (Continued)**

**Interest bearing payables to suppliers (continued)**

The exposure of the Group's financial liabilities to suppliers to the risk of interest rate changes and the contractual repricing dates are as follows:

	<b>30 September 2014</b>	<b>31 December 2013</b>
6 months and less	4.399	8.662
Between 1-5 year	-	2.467
<b>Total</b>	<b>4.399</b>	<b>11.129</b>

The fair values of short-term and long-term financial borrowings to suppliers are considered to approximate their carrying values as the effect of discount is not material.

**b) Other financial liabilities**

As of 30 September 2014 and 31 December 2013 details of other financial liabilities are presented below.

<b>Other short term financial liabilities:</b>	<b>30 September 2014</b>	<b>31 December 2013</b>
Financial liabilities due to call and put options (Note 34) <sup>(1)</sup>	182.365	199.365
	<b>182.365</b>	<b>199.365</b>

<b>Other long term financial liabilities:</b>	<b>30 September 2014</b>	<b>31 December 2013</b>
Financial liabilities due to call and put options (Note 34) <sup>(1)</sup>	-	183.182
	<b>-</b>	<b>183.182</b>

<sup>(1)</sup> As of 30 September 2014 "DTV Option I" covered liabilities in the accompanying consolidated balance sheet at amortized amount of TL 182.365 (31 December 2013: TL 366.392). The entire stated amount is presented (31 December 2013: TL 183.210) as a part of the "short-term financial liabilities", and as of 30 September 2014 no "long-term financial liabilities" is left (31 December 2013: TL 183.182). "Share Purchase Agreement" and "Shareholders Agreement" related to liability were amended at 2 October 2014. (Note 36)



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**NOTE 9 - TRADE RECEIVABLES AND PAYABLES**

<b><u>Short-term trade receivables</u></b>	<b>30 September 2014</b>	<b>31 December 2013</b>
Trade receivables	1.086.240	987.793
Notes and cheques receivable	22.176	33.323
Income accruals	5.402	5.981
<b>Total</b>	<b>1.113.818</b>	<b>1.027.097</b>
Less: unearned financial income due to sales with maturity	(5.813)	(6.595)
Less: provision for doubtful receivables (-)	(250.928)	(232.160)
<b>Total</b>	<b>857.077</b>	<b>788.342</b>

In the publishing segment of the Group, the average maturity of not overdue trade receivables and that are followed by Doğan Faktoring is between 70 to 97 days as of the balance sheet date (31 December 2013: 67-96 days). In the broadcasting segment of the Group, the average maturity of not overdue trade receivables is 108 days as of the balance sheet date (31 December 2013: 101 days). In the media segment of the Group, the average maturity of not overdue trade receivables is 45 days as of the balance sheet date (31 December 2013: 45 days). In the other segment of the Group, the average maturity of not overdue trade receivables is between 30 and 108 days as of the balance sheet date (31 December 2013: 30-90 days). Average discount rate calculated as annual compound of trade receivables is 12,01% (31 December 2013: 12,01%).

<b><u>Long-term trade receivables</u></b>	<b>30 September 2014</b>	<b>31 December 2013</b>
Notes and cheques receivable <sup>(1)</sup>	4.755	3.507
Unearned financial income due to sales with maturity	(1.003)	(783)
	<b>3.752</b>	<b>2.724</b>

(1) Notes receivables consist of sales with maturity of Milpa's Automall, Veneris and Milpark Projects a subsidiary of the group in 2012, 2013 and 2014.

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**NOTE 9 - TRADE RECEIVABLES AND PAYABLES (Continued)**

The movements of long term and short term provisions for doubtful receivables for the current period is as follows:

	<b>2014</b>	<b>2013</b>
1 January	232.160	201.844
Provision booked in the current period (Note 27)	29.565	28.837
Disposal of subsidiary	(5.509)	45
Collections and cancelled provisions	(5.462)	(11.524)
Currency translation differences	174	(221)
Merger effect	-	13.960
<b>30 September</b>	<b>250.928</b>	<b>232.941</b>

***Guarantees for trade receivables***

As of 30 September 2014, trade receivables of amounting to TL 278.225 (31 December 2013: TL 181.702), were past due but not impaired. The Group does not foresee any collection risk for these overdue receivables due to sector dynamics and circumstances as of reporting date.

As of 30 September 2014, the Group has letters of guarantee, guarantee notes, guarantee cheques, bails, receivable insurance, pledges and mortgages amounting to TL 87.014 (31 December 2013: TL 74.221) related to trade receivables amounting to TL 860.829 (31 December 2013: TL 791.066).

The guarantees received for the total trade receivables of the Group consist of bank guarantee letter amounting to TL 6.492 (31 December 2013: TL 5.233), bails and mortgages amounting to TL 39.903 (31 December 2013: TL 36.783), checks and notes amounting to TL 10.795 (31 December 2013: TL 9.624), receivable insurance amounting to TL 29.744 (31 December 2013: TL 22.581), vehicle pledge amounting to TL 80. In these guarantees, bank guarantee letter amounting to TL 1.577, bails and mortgages amounting to TL 20.482, cheques and notes amounting to TL 7.002, receivable insurance amounting to TL 6.118 and vehicle pledge amounting to TL 80 was received for overdue but not impaired receivables. (31 December 2013: bank guarantee letter amounting to TL 1.344, bails and mortgages amounting to TL 19.552, cheques and notes amounting to TL 7.487, receivable insurance amounting to 4.356 was received overdue but not impaired receivables. (Note 34).

**Short-term trade payables**

	<b>30 September 2014</b>	<b>31 December 2013</b>
Trade payables	483.263	435.289
Provision for liabilities and expenses	69.646	57.828
Provision for broadcasted programmes	4.135	2.237
Notes payables and cheques	7.080	3.965
Other payables	1.505	51
Less: deferred financial expense due to purchase with maturity	(1.183)	(1.218)
<b>Total</b>	<b>564.446</b>	<b>498.152</b>

The average maturity of not over due trade payables is between 30 and 90 days as of 30 September 2014 (31 December 2013: 30-90 days).

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**NOTE 10 – OTHER RECEIVABLES AND PAYABLES**

	<b>30 September 2014</b>	<b>31 December 2013</b>
<b>Other short-term receivables</b>		
Notes receivables <sup>(1) (2)</sup>	27.177	105.020
Deposits and guarantees given	12.910	3.498
Other miscellaneous receivables	4.752	1.206
	<b>44.839</b>	<b>109.724</b>
<b>Other long-term receivables</b>		
Notes receivable <sup>(3) (4)</sup>	15.851	11.456
TEİAŞ power transmission line receivables <sup>(5)</sup>	7.811	8.000
Deposits and guarantees given	2.344	3.226
Other miscellaneous receivables	-	5
	<b>26.006</b>	<b>22.687</b>

- (1) TL 19.324 (31 December 2013: TL 31.443) of short-term notes receivables and (31 December 2013: TL 10.243 long term notes receivables) of long-term notes receivables are composed from the sales of shares of Bağımsız Gazeteciler and all Milliyet brand, royalties and internet domain names to DK Gazetecilik ve Yayıncılık A.Ş. at 2 May 2011. Notes receivables are shown at discounted amounts. The discount amount as of 30 September 2014 is TL 167 (31 December 2013: TL 883).
- (2) Hürriyet, a subsidiary of the Group, sold the properties that consist of 58.609,45 m2 land and buildings, including the building that has been used as company headquarters for 28 years (Hürriyet Media Towers) in Bağcılar, İstanbul in 2012 to Nurol Gayrimenkul Yatırım Ortaklığı in consideration of USD 127.500 (TL 225.994), excluding late interest. USD 17.500 of the consideration was paid in cash and the remaining portion which amounts to USD 110.000 is payable in 32 equal installments as of 6 March 2012 by applying 3,5% interest rate for the remaining installment portions. As of 30 September 2014, USD 3.438 (TL 7.834) of the related consideration is recognized as short-term notes receivables and cheques. (31 December 2013: USD 34.375 (TL 73.367)). Interest amount that is collectible in relation to principal amount is USD 6.396, and USD 5.418 (TL 10.081) of the related amount, excluding VAT, has been collected in 2012, 2013 and 2014.
- (3) Long-term notes receivable amounting to TL 854 (31 December 2013: TL 1.213) consist of the notes receivables of other subsidiaries.
- (4) "Superficies Right" of Milta Turizm, a subsidiary of the Group, registered on 23 December 2013 to the deed, for 49 years beginning from 11 April 1985 on 92.476m2 sized surface in Göynük village of Kemer, Antalya has been sold to Ceylan İşletme İnşaat Turizm Yatırım Nakliyat Gıda İçecek Sanayi ve Ticaret A.Ş. for EUR 20.000 on 18 February 2014 by negotiation. EUR 15.000 will be paid upfront and the remaining EUR 5.000 will be collected in four equal installments (EUR 1.250) beginning from 31 August 2015 until 31 August 2018. As of 30 September 2014, related notes were accounted with discount of TL 14.931 under long term other receivables.
- (5) The amount consists of the receivables of Akdeniz Elektrik and Galata Wind from the power transmission line of TEİAŞ.

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**NOTE 10 – OTHER RECEIVABLES AND PAYABLES (Continued)**

	<b>30 September 2014</b>	<b>31 December 2013</b>
<b>Other Short Term Payables</b>		
Taxes and funds payable	32.121	51.083
Deposits and guarantees received	1.724	482
Other short term payables	5.849	2.347
	<b>39.694</b>	<b>53.912</b>

	<b>30 September 2014</b>	<b>31 December 2013</b>
<b>Other Long Term Payables</b>		
Deposits and guarantees received	13.841	13.658
Other long term payables	-	652
	<b>13.841</b>	<b>14.310</b>

**NOTE 11 - INVENTORIES**

<b>Short term inventory</b>	<b>30 September 2014</b>	<b>31 December 2013</b>
Finished goods and merchandise <sup>(1)</sup>	190.289	173.772
Raw materials and supplies	56.100	84.856
Semi-finished goods	13.454	9.822
Promotion stocks	7.486	5.037
Other inventories	7.757	8.386
	<b>275.086</b>	<b>281.873</b>
Provision for impairment of inventory	(10.111)	(8.056)
	<b>264.975</b>	<b>273.817</b>

(1) As of 30 September 2014 TL 20.614 (31 December 2013: TL 26.701) of finished goods consists of the inventories related to housing projects run by subsidiary Milpa.

As of 30 September 2014, TL 85 (31 December 2013: TL 206) depreciation and amortization expense have been reflected to the inventories.

Promotional materials consist of books, CDs, DVD and electronic educational products that were provided with the newspapers. Determining whether the promotion stocks is impaired or not and, if impaired, assessment of the amount is carried out by Group management. In this context, impairment amount is determined by considering the purchase date, current condition of stocks and rates identified by Group management.

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**NOTE 11 - INVENTORIES (Continued)**

The movements of the provision for impairment of inventories for the years ended 30 September 2014 and 2013 are as follows:

	<b>2014</b>	<b>2013</b>
1 January	(8.056)	(7.547)
Provision booked in the current period (Note 27)	(2.485)	(2.504)
Reversal of provision for inventories	430	-
<b>30 September</b>	<b>(10.111)</b>	<b>(10.051)</b>

**NOTE 12 - BIOLOGICAL ASSETS**

Biological assets of Doğan Organik, a Group's subsidiary, amounted to TL 671 as of 30 September 2014 (31 December 2013: TL 219).

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**NOTE 13 - INVESTMENT PROPERTY**

The movements in investment property during the interim periods ended 30 September 2014 and 30 September 2013 are as follows.

	1 January 2014	Additions	Disposals	Transfers	Fair value adjustment	Currency translation differences	30 September 2014
Land	170.683	-	-	-	-	1.543	172.226
Building	55.481	18.897	(19.839)	-	(1.760)	-	52.779
<b>Net book value</b>	<b>226.164</b>						<b>225.005</b>

	1 January 2013	Additions	Disposals	Transfers	Fair value adjustment	Currency translation differences	30 September 2013
Land	146.113	626	-	-	1.502	8.246	156.487
Building	83.263	17.370	(20.290)	-	(12)	-	80.331
<b>Net book value</b>	<b>229.376</b>						<b>236.818</b>

The group has generated a rent income of TL 856 from investment properties (30 September 2013: TL 3.322). Direct operating costs in the current period resulting from investment properties is TL 732 (30 September 2013: TL 820). There is no collateral or mortgage on investment properties of the Group.

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**NOTE 14 - PROPERTY, PLANT AND EQUIPMENT**

Movements of the property, plant and equipment for the interim periods ended 30 September 2014 and 30 September 2013 are as follows:

	1 January 2014	Additions	Disposals	Transfers <sup>(1)</sup>	Disposal of subsidiary	Acquisition of subsidiary	Impairment	Currency Translation differences	30 September 2014
<b>Cost:</b>									
Land and land improvements	114.745	123	(8.415)	-	-	-	-	(413)	106.040
Buildings	139.353	1.112	(3.188)	-	-	-	-	(2.263)	135.014
Machine and equipments	1.174.622	8.601	(3.540)	3.710	(74.764)	-	-	(1.725)	1.106.904
Motor vehicles	112.944	15.257	(7.209)	-	(84)	320	-	40	121.268
Furniture and fixtures	428.281	45.660	(12.419)	3.881	(1.039)	213	-	(2.442)	462.135
Leasehold tangible assets improvements	136.920	3.736	(6)	-	(299)	84	-	(148)	140.287
Other non-current assets	9.546	63	-	-	-	-	-	-	9.609
Construction in progress	9.135	8.590	(3.817)	(7.591)	(2)	-	-	531	6.846
	<b>2.125.546</b>	<b>83.142</b>	<b>(38.594)</b>	<b>-</b>	<b>(76.188)</b>	<b>617</b>	<b>-</b>	<b>(6.420)</b>	<b>2.088.103</b>
<b>Accumulated depreciation:</b>									
Land and land improvements	5.467	389	-	-	-	-	-	-	5.856
Buildings	79.568	3.779	(196)	-	-	-	-	(1.682)	81.469
Machine and equipments	777.905	47.597	(2.448)	-	(60.336)	-	-	(2.515)	760.203
Motor vehicles	58.029	8.050	(3.446)	-	(84)	235	-	154	62.938
Furniture and fixtures	221.732	40.559	(6.251)	-	(942)	201	-	(3.256)	252.043
Leasehold tangible assets improvements	80.729	8.142	(6)	-	(281)	69	-	(132)	88.521
Other non-current assets	832	-	-	-	-	-	-	-	832
	<b>1.224.262</b>	<b>108.516</b>	<b>(12.347)</b>	<b>-</b>	<b>(61.643)</b>	<b>505</b>	<b>-</b>	<b>(7.431)</b>	<b>1.251.862</b>
<b>Net book value</b>	<b>901.284</b>								<b>836.241</b>

There is a mortgage of TL 18.794 on property, plant and equipment as of 30 September 2014. (31 December 2013: TL 19.087). Net book value of property, plant and equipment acquired by leasing is TL 48.032 (31 December 2013: TL 45.540) and accumulated depreciation of such assets is TL 38.886 (31 December 2013: TL 34.359) as of 30 September 2014.

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**NOTE 14 - PROPERTY, PLANT AND EQUIPMENT (Continued)**

	1 January 2013	Additions	Disposals	Transfers <sup>(1)</sup>	Acquisiton of subsidiary	Classified as asset held for sale	Disposal of subsidiary	Currency Translation differences	30 September 2013
Land and land improvements	115.756	269	(7)	281	-	(4.572)	-	1.820	113.547
Buildings	137.542	113	-	(106)	-	-	-	3.977	141.526
Machine and equipments	1.108.171	37.676	(6.283)	15.964	330	-	-	8.724	1.164.582
Motor vehicles	104.479	13.329	(4.928)	1.756	-	-	-	557	115.193
Furniture and fixtures	370.937	52.831	(16.151)	(352)	3.610	-	(168)	1.274	411.981
Leasehold tangible assets improvements	125.724	4.511	(146)	473	297	-	-	272	131.131
Other non-current assets	9.548	-	-	24	-	-	-	-	9.572
Construction in progress	43.954	13.248	(30.369)	(17.999)	583	-	-	(284)	9.133
	<b>2.016.111</b>	<b>121.977</b>	<b>(57.884)</b>	<b>41</b>	<b>4.820</b>	<b>(4.572)</b>	<b>(168)</b>	<b>16.340</b>	<b>2.096.665</b>
<b>Accumulated depreciation:</b>									
Land and land improvements	5.094	279	(1)	-	-	-	-	-	5.372
Buildings	71.819	3.953	-	-	-	-	-	1.665	77.437
Machine and equipments	704.224	50.939	(4.024)	-	178	-	-	7.294	758.611
Motor vehicles	51.666	7.957	(2.838)	-	-	-	-	(10)	56.775
Furniture and fixtures	184.998	34.706	(5.995)	-	2.457	-	(155)	1.008	217.019
Leasehold tangible assets improvements	70.677	7.179	(8)	-	-	-	-	288	78.136
Other non-current assets	721	47	-	-	-	-	-	-	768
	<b>1.089.199</b>	<b>105.060</b>	<b>(12.866)</b>	<b>-</b>	<b>2.635</b>	<b>-</b>	<b>(155)</b>	<b>10.245</b>	<b>1.194.118</b>
<b>Net book value</b>	<b>926.912</b>								<b>902.547</b>

<sup>(1)</sup> Group's subsidiary Hürriyet has stated that TL 41 of fixed assets is required to be classified from buildings to leasehold improvements as a result of reviewing tangible assets.

<sup>(2)</sup> Moje Delo, spletni marketing d.o.o subsidiaries of the Group, has been disposed of shares in 2013.



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**NOTE 15 – INTANGIBLE ASSETS**

	1 January 2014	Additions	Disposals	Transfers	Currency translation differences	Disposal of subsidiary	30 September 2014
<b>Cost:</b>							
Customer list	341.351	-	-	-	(35.307)	-	306.044
Trade names and licenses (Media)	318.688	-	-	-	(37.910)	-	280.778
Electricity production license	355.044	1.381	-	-	-	-	356.425
Other	461.548	42.488	(3.033)	(9.023)	(5.235)	(545)	486.200
	<b>1.476.631</b>	<b>43.869</b>	<b>(3.033)</b>	<b>(9.023)</b>	<b>(78.452)</b>	<b>(545)</b>	<b>1.429.447</b>
<b>Accumulated amortization:</b>							
Customer list	144.206	12.214	-	-	(13.871)	-	142.549
Trade names and licenses (Media)	21.763	1.142	-	-	(1.297)	-	21.608
Electricity production license	13.747	807	-	-	(27)	-	14.527
Other	317.542	43.010	(2.723)	(9.023)	(1.258)	(401)	347.147
	<b>497.258</b>	<b>57.173</b>	<b>(2.723)</b>	<b>(9.023)</b>	<b>(16.453)</b>	<b>(401)</b>	<b>525.831</b>
Television program rights	<b>76.471</b>						<b>82.991</b>
<b>Net book value</b>	<b>1.055.844</b>						<b>986.607</b>

Movement of television program rights for 2014 is as follows:

	1 January 2014	Additions	Discontinued operations	Depreciation	Currency translation differences	Provision for impairment of program rights and inventory	30 September 2014
Television program rights	76.471	63.450	-	(56.879)	(51)	-	82.991

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**NOTE 15 – INTANGIBLE ASSETS (Continued)**

	1 January 2013	Additions	Disposals	Transfers	Consolidation change effect	Currency translation differences	Disposal of subsidiary <sup>(1)</sup>	Acquisition of subsidiary	30 September 2013
<b>Cost:</b>									
Customer list	310.305	-	-	-	-	25.194	-	-	335.499
Trade names and licenses (Media)	295.435	-	-	-	-	24.993	-	-	320.428
Electricity production license	355.044	-	-	-	-	-	-	-	355.044
Other	401.354	30.594	(3.452)	481	3.424	10.724	(928)	2.494	444.691
	<b>1.362.138</b>	<b>30.594</b>	<b>(3.452)</b>	<b>481</b>	<b>3.424</b>	<b>60.911</b>	<b>(928)</b>	<b>2.494</b>	<b>1.455.662</b>
<b>Accumulated amortization:</b>									
Customer list	108.192	14.217	-	-	573	25.343	-	-	148.325
Trade names and licenses (Media)	19.200	1.103	-	-	-	1.854	-	-	22.157
Electricity production license	4.611	5.736	-	-	1.489	-	-	-	11.836
Other	281.083	32.755	(3.036)	(42)	1.079	9.763	(401)	519	321.720
	<b>413.086</b>	<b>53.811</b>	<b>(3.036)</b>	<b>(42)</b>	<b>3.141</b>	<b>36.960</b>	<b>(401)</b>	<b>519</b>	<b>504.038</b>
Television program rights	56.988								73.304
<b>Net book value</b>	<b>1.006.040</b>								<b>1.024.928</b>

Movement of television program rights for 2013 is as follows:

	1 January 2013	Additions	Depreciation	Currency translation differences	Provision for impairment of program rights and inventory	30 September 2013
Television program rights	56.988	42.461	(27.665)	1.779	(259)	73.304

<sup>(1)</sup> Moje Delo,spletni marketing d.o.o subsidiaries of the Group,has been disposed of shares in 2013.

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**NOTE 15 – INTANGIBLE ASSETS (Continued)**

*Intangible assets with indefinite useful lives*

As of 30 September 2014, the Group has determined that brand names with carrying value of TL 248.934 have indefinite useful lives (31 December 2013: TL 291.484). The utilization period of brand names with indefinite useful lives, as expected by the Group, is determined based on the stability of the industry, changes in market demands as to the products and services provided through assets, control period over the assets and legal or similar restrictions on their utilization.

Movement of the goodwill for the interim periods ended 30 September 2014 and 2013 is as follows:

	<b>2014</b>	<b>2013</b>
1 January	520.005	518.957
Acquisition of subsidiary (Note 3)	2.732	15.429
Currency translation differences	(12.858)	2.831
Goodwill impairment (Note 2, 28) (-)	(12.719)	-
Disposal of subsidiary <sup>(1)</sup>	-	(6.458)
Other <sup>(2)</sup>	-	138
<b>30 September</b>	<b>497.160</b>	<b>530.897</b>

(1) The Group disposed its subsidiary shares, Moje Delo Spletni Marketing d.o.o in 2013 in accordance with legislation in Slovenia.

(2) Other relates to the changes in the fair value of put options.

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**NOTE 16 - GOVERNMENT GRANTS**

- The Group, obtained six investment incentives certificate for the imported equipments amounting to USD 13.805 and domestic equipments amounting to TL 1.502 for the modernization of its printing plants in Istanbul, Ankara, Izmir, Adana, Antalya and Trabzon on 28 October, 2, 4 November and 30 December 2011. The agreements are valid for two years and equipment imported within the scope of the certificate is exempt from Customs Duty and VAT. The investments amounting to USD 13.595 for imported equipments and TL 1.502 for domestic equipments are realized within these certificates as of 30 September 2014 (31 December 2013: Imported equipments USD 13.595 and domestic equipments TL 1.502).
- Ditaş, a subsidiary of the Group, benefit from the insurance premium incentive under the scope of Social Security and General Health Insurance Law (Law 5510). In this context, the incentive of the insurance premium amounting to TL 510 (30 September 2013: TL 600) is recorded against the labour expense under cost of goods sold in the financial statements.

**NOTE 17 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES**

<b>Short-term provisions</b>	<b>30 September 2014</b>	<b>31 December 2013</b>
Provision for lawsuits	41.191	31.189
Other	-	392
	<b>41.191</b>	<b>31.581</b>

Movement of lawsuit provisions for the periods ended 30 September 2014 and 2013 are as follows:

	<b>2014</b>	<b>2013</b>
1 January	31.189	28.712
Additions (Note 27)	14.480	6.670
Classification of put option <sup>(1)</sup>	16.276	-
Paid and reversed provisions	(20.638)	(5.897)
Disposal of subsidiary	(116)	-
<b>30 September</b>	<b>41.191</b>	<b>29.485</b>

<sup>(1)</sup> There was controversy between TCM Adria d.o.o, a subsidiary of the Group, which has 70% shares of Oglasnik d.o.o and owners of remaining 30% and non controlling interests about put option of non controlling interest's shares to TCM Adria d.o.o and/or to the Group. The arbitration process ongoing in Zagreb Arbitration Court has been resulted; accordingly the option was decided as invalid and a compensation in favor of the minorities was decided due to the loss occurred. The judgment has been appealed on 5 November 2014 and the suspension of the payment has been filed. As of 30 September 2014 in line with the precautionary principle of the accounting, the liability previously calculated related to "option" (31 December 2013: TL 16.155) (Note 8) was calculated considering the interest (TL 16.276) and recorded as "provision for lawsuit". In case the appeal process would result in favor of the Group, the liability will disappear; otherwise, costs of the lawsuit with additional interests will be calculated and recorded in the period of occurrence.

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**NOTE 17 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)**

**(a) Law Cases**

The amount of lawsuits against the Group is TL 80.462 as of 30 September 2014 (31 December 2013: TL 80.623).

	<b>30 September 2014</b>	<b>31 December 2013</b>
Legal cases	67.023	65.797
Commercial cases	2.933	5.552
Business cases	9.329	7.664
Other	1.177	1.610
<b>Total</b>	<b>80.462</b>	<b>80.623</b>

A provision for lawsuits filed against the Group whose details are given above amounting to TL 41.191 has been provided with reference to the opinions of the Group's legal advisors and past experience of management related to similar litigations against the Group (31 December 2013: TL 31.189). Legal cases mainly consist of pecuniary and non-pecuniary damages and lawsuits filed against publishing and broadcasting companies and lawsuits initiated by the Radio and Television Supreme Council.

**(b) Commitments and contingent liabilities related to the share acquisition agreement with Commerz-Film GmbH**

The "Share Purchase" and the "Shareholders Agreements" dated 19.11.2009 signed between our Company (Doğan Holding), our direct subsidiaries Doğan TV Holding A.Ş. (DTV) and Doğan Yayın Holding A.Ş. (has ceased due to dissolution without liquidation) and Axel Springer A.G.'s direct subsidiaries Commerz-Film GmbH and Hauptstadtsee 809. V V GmbH (together the Axel Springer Group) and dated 16.11.2006 signed between Doğan Yayın Holding A.Ş. (has ceased due to dissolution without liquidation) and Axel Springer A.G. have been amended on 2 October 2014. Explanation regarding the subject is presented in Note 36.

**c) Doğan TV Dijital Platform İşletmeciliği A.Ş.**

As a result of the investigation performed by Information and Communication Technologies Authority on one of the indirect subsidiaries of the Group, Doğan TV Dijital Platform İşletmeciliği A.Ş., an administrative penalty amounting to TL 10.342 was given and TL 8.260 was accrued in order to refund to the subscribers. The Group, paid administrative penalty as TL 7.756 by taking advantage of 25% discount for advance payment with objection record. Additionally, regarding the amount to be paid to the subscribers, the Group management is continuing its assessment and regarding legal advices no provision has been allocated in the accompanying consolidated financial statements as of 30 September 2014. With regard to the subject, all legal rights are used in relevant period.

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**NOTE 17 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)**

**(d) Other**

**Milpa:**

*The Land of Ömerli*

Under the revenue sharing and/or costruction for flat for land basis agreement signed with the landowners in relation to the Milpa's, one of the subsidiaries of the Group, 2.093.941 m<sup>2</sup> of land which is classified as investment property in the consolidated financial statements, with the parcel no: 1154 in Kurtdoğan village, in Pendik in İstanbul, there is an annotation about the construction agreement. The related land is situated at the Habitat Park Area and Recreation Area in the İstanbul Environmental Plan which was approved on 15 June 2009 with a scale of 1/100.000. The remaining parcel no: 1155, which is 144.266 m<sup>2</sup>, is situated at the Forest Land. In addition, the related parcels are situated at the soil classification section of Kurtdoğan, Emirli, Kurnaköy, Ballica and Göçbeyli villages organized in İstanbul Metropolitan Area East Side Pendik, İstanbul in accordance with the Soil Conservation and Land Use Law No: 5403. Parcel no: 1154 in full and small part of parcel no: 1155 are situated at the Marginal Agricultural Area eligible for non-agricultural use and significant part of parcel no: 1155 is situated at the Military Area.

144.266 m<sup>2</sup> 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 Ministry of Forestry appealed the Court's decision and the related case file was re-sent to the Civil Department No: 20 of the Court of Appeal and re-transferred to the Pendik Court of First Instance Aforesaid Court follows the Supreme Court 20th Civil Chamber's reversal decision and has postponed the trial date to 9 December 2014 with the purpose of re-exploration and evaluation of Forestry Ministry's claims.

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.

Pendik, Kurtdoğan change in the zoning plan of the land in the village and on the objection to this change, as of the date of preparation of these financial statements have not yet responded on the property's fair value and the resulting uncertainty due to the appeal, the legal process will continue to be assessed according to the developments will occur in the subsequent periods.

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**NOTE 18 - COMMITMENTS**

**(a) Collaterals, pledges and mortgages (CPM) given by the Group**

		30 September 2014					31 December 2013				
		TL Equivalent	TL	USD	EUR	Other	TL Equivalent	TL	USD	EUR	Other
A. CPM's given in the name of its own legal personality											
	Guarantees <sup>(1)</sup>	364.939	137.180	30.985	54.350	-	500.475	97.284	37.119	110.325	-
	Pledge	-	-	-	-	-	-	-	-	-	-
	Mortgage <sup>(2)</sup>	18.794	-	-	6.500	-	19.087	-	-	6.500	-
B. CPM's given on behalf of the fully consolidated companies											
	Guarantees <sup>(1) (3)</sup>	961.547	35.001	220.131	146.949	-	1.910.393	36.149	599.170	202.770	-
	Pledge	-	-	-	-	-	-	-	-	-	-
	Mortgage	-	-	-	-	-	-	-	-	-	-
C. CPM's given on behalf of third parties for ordinary course of business											
	Guarantees	-	-	-	-	-	-	-	-	-	-
	Pledge	-	-	-	-	-	-	-	-	-	-
	Mortgage	-	-	-	-	-	-	-	-	-	-
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 on behalf of third parties											
	Which are not in scope of B and C	-	-	-	-	-	-	-	-	-	-
iii) Total Amount of CPM's given on behalf of third parties											
	Which are not in scope of C	-	-	-	-	-	-	-	-	-	-
<b>Total</b>		<b>1.345.280</b>					<b>2.429.955</b>				

(1) The guarantees of the Group consist of letter of guarantees, guarantee notes, bails and mortgages. The details of letter of guarantees, guarantee notes, bails and mortgages are explained below.

(2) There is a mortgage amounting to TL 18.794 over the tangible fixed assets of Group's subsidiary Hürriyet as of 30 September 2014 (31 December 2013: TL 19.087).

(3) Doğan Holding has bail amounting to USD 49.867 given to credit institutions within the scope of Aslançık Elektrik's hydroelectric power plant construction that is planned to be completed in 2013 (31 December 2013: USD 52.800). The entity gave bail amounting to USD 53.245 for Boyabat Elektrik's long term project financing bank loan (31 December 2013: USD 78.018).

(4) 33,33% shares of Aslançık Elektrik (45.000.000 (exact) shares), 33% shares of Boyabat (6.996.000 (exact) shares), 100% of Galata Wind (68.700 (exact) shares) and 100% of D-Tes (141.500.000 (exact) shares) were given as pledges to financial institutions due to the Group's long term borrowings and are not included in the table above

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**NOTE 18 - COMMITMENTS (Continued)**

**a) Letters of guarantees and guarantee notes given (Continued):**

Other CPM given by the Group to equity ratio is 0% as of 30 September 2014 (31 December 2013: 0%). The details of letter of guarantees and guarantee notes given by the Group are as follows:

	30 September 2014		31 December 2013	
	Original currency	TL equivalent	Original currency	TL equivalent
Letters of guarantees – EUR <sup>(1)</sup>	91.391	264.248	241.407	708.892
Letters of guarantees – TL	137.757	137.757	97.591	97.591
Letters of guarantees – USD	30.415	69.313	37.119	79.223
Guarantee notes – TL	1.277	1.277	25.634	25.634
Guarantee notes – EUR	1.085	3.137	7.043	20.682
Guarantee notes – USD	1.487	3.389	-	-
<b>Total</b>		<b>479.121</b>		<b>932.022</b>

(1) Doğan TV Holding, one of the subsidiaries of Doğan Holding, has given letters of guarantees amounting to EUR 35.000 to UEFA (Union Européenne de Football Association or Union of European Football Associations) in 2008 for broadcasting rights of UEFA Champions League, UEFA Super Cup and UEFA Cup games for the period 2012-2015.

Explained as in Note 36, Provided that it shall take place earliest on January 30, 2015, and to be used in return for 50,000,000 EUR, the Axel Springer Group has an "put option" for 34,183,593 (exact) shares, and Doğan Holding has a "commitment to buy" ("DTV Put Option I"). The Axel Springer Group may exercise all or a part of its "put option". In this context two guarantee letters amounting to EUR 50.000 were previously given by Doğan Holding. In addition, Doğan Holding has also given a third guarantee letter amounting to EUR 50.000 in consideration of 34.183.593 shares in the same period to be used as of January 2015. Two of the bank guarantee letters which were given related with the "put option" amounting to EUR 50.000 exercised in January 2013 and January 2014 were released and accordingly, the number of guarantee letters given to the bank regarding the put option decreased to 1.

In addition, Hürriyet has letter of guarantee amounting to EUR 3.055. Remaining EUR 3.336 consist of letter of guarantees given by other Group companies.

**(b) Guarantees and mortgages given**

The details of guarantees of Doğan Holding and its shareholders' given for the borrowings and trade payables of the Group companies and related parties as of 30 September 2014 and 31 December 2013 are as follows:

	30 September 2014		31 December 2013	
	Original currency	TL equivalent	Original currency	TL equivalent
Bails - EUR	108.823	314.651	64.645	189.830
Bails – USD <sup>(1)</sup>	219.214	499.567	599.170	1.278.809
Bails – TL	32.930	32.930	9.990	9.990
Mortgages – EUR	6.500	18.794	6.500	19.087
Mortgages – TL	217	217	217	217
<b>Total</b>		<b>866.159</b>		<b>1.497.933</b>

1) Guarantees given for Milta, Milpa, Hürriyet, Boyabat Elektrik and Aslancık Elektrik has decreased with the amount of USD 184.767 by loan repayments during the period and guarantees given for Mozaik, Doğan TV Holding and Doğan Egmont was decreased with the amount of USD 183.204 and additionally guarantees given for credits of Galata Wind was decreased with the amount of USD 11.985.



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**NOTE 18 - COMMITMENTS (Continued)**

**(c) Barter agreements**

Doğan Holding and its subsidiaries, enter into barter agreements, which involve the exchanging of goods or services without any cash collections or payments, as a common practice in the media sector.

As of 30 September 2014, the Group has a commitment for the publication of advertisements amounting to TL 10.737 (31 December 2013: TL 10.525) in exchange for purchasing goods and services and has an option to purchase goods and services amounting to TL 25.638 (31 December 2013: TL 32.496) in exchange of the goods or services sold.

**NOTE 19 - OTHER ASSETS AND LIABILITIES**

	<b>30 September 2014</b>	<b>31 December 2013</b>
<b>Other current assets</b>		
Blocked deposits <sup>(1)</sup>	186.250	227.116
Value Added Tax ("VAT") receivables	24.440	27.554
Prepaid taxes	29.103	21.668
Work advances	4.192	7.608
Personnel advances	8.170	5.886
Programme stocks	11.626	4.044
Other	8.742	7.204
	<b>272.523</b>	<b>301.080</b>
Provision for impairment on programme stocks	(1.061)	(1.081)
Provision for other doubtful receivables	(866)	(873)
	<b>270.596</b>	<b>299.126</b>

	<b>30 September 2014</b>	<b>31 December 2013</b>
<b>Other non-current assets</b>		
Blocked deposits <sup>(2)</sup>	252.624	233.642
Value Added Tax ("VAT") receivables	133.125	132.484
Deposits and guarantees given	219	229
Other	413	341
	<b>386.381</b>	<b>366.696</b>

(1) As of 30 September 2014, Doğan Holding has blocked deposits EUR 50.000 (TL 144.570) regarding purchase option of shares of Doğan TV Holding and EUR 14.000 (TL 40.480) regarding Kanal D Romania. (31 December 2013: Doğan Holding's time deposit amounting to USD 70.000 ( TL: 149.401) TME; EUR 14.000 (TL 41.111) for DMI; and additionally, Group's subsidiary Hürriyet's credit pledge of USD 17.144 (36.592 TL) was blocked).

(2) As of 30 September 2014, Doğan Holding has blocked deposits amounting to USD 110.500 (TL 251.818) on behalf of TME and Mozaik's bank loans (31December 2013: Time deposit of Doğan Holding amounting to EUR 50.000 (TL 146.825) regarding purchase option of shares of Doğan TV Holding and time deposit amounting to USD 40.500 (TL 86.439) as guaranty for Mozaik's loans was blocked.)

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**NOTE 20- PREPAID EXPENSES AND DEFERRED INCOMES**

Details of prepaid expenses and deferred incomes for the periods ended 30 September 2014 and 31 December 2013 are as follows:

<b>Short term prepaid expenses</b>	<b>30 September 2014</b>	<b>31 December 2013</b>
Prepaid expenses <sup>(1)</sup>	28.437	28.653
Advances given <sup>(2)</sup>	69.905	30.663
	<b>98.342</b>	<b>59.316</b>

<sup>(1)</sup> Significant amount of prepaid expenses consists of prepaid rent expenses and insurance expenses.

<sup>(2)</sup> Increase in advances given consist of increase advances in publishing and broadcasting operations in the current period.

<b>Long term prepaid expenses</b>	<b>30 September 2014</b>	<b>31 December 2013</b>
Advances given and prepayments <sup>(1) (2)</sup>	44.813	29.215
Prepaid expenses for the following years	14.578	8.555
Advances given for fixed asset purchases	426	395
	<b>59.817</b>	<b>38.165</b>

<sup>(1)</sup> Advances given and prepayments amounting to TL 41.327 (31 December 2013: TL 25.708) consist of prepayments made by Doğan TV Holding, one of the subsidiaries of Doğan Yayın Holding, for UEFA (Union Européenne de Football Association or Union of European Football Associations) Champions League qualifying games and UEFA Cup qualifying games of certain Spor Toto Super League teams between 2008 and 2020. In accordance with the agreements, prepayments made for the related games will be refunded to Doğan TV Holding in the cancellation of games.

<sup>(2)</sup> TL 3.180 (31 December 2013: TL 3.180) of the advances given and prepayments includes the expenses caused by the landowners and advances given to the landowners who passed their shares of the real estate Project in the land of Ömerli by Milpa which is a subsidiary of the Group for the part of the proceeds. %25 of the revenues of the project which Milpa is planning to develop, about the houses and offices will be committed and set-off to the landowners revenue-sharing or flat received from contractor for landownership by the proportion of their shares.

<b>Short term deferred income</b>	<b>30 September 2014</b>	<b>31 December 2013</b>
Deferred income <sup>(1)</sup>	27.285	50.198
Advances received	11.229	16.249
	<b>38.514</b>	<b>66.447</b>

<sup>(1)</sup> Deferred incomes are composed of prepaid subscription expenses of publishing and broadcasting.

<b>Long term deferred income</b>	<b>30 September 2014</b>	<b>31 December 2013</b>
Deferred income <sup>(1)</sup>	10.899	3.563
	<b>10.899</b>	<b>3.563</b>

<sup>1)</sup> Deferred incomes are composed of prepaid subscription expenses of publishing and broadcasting.

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**NOTE 21 - DERIVATIVE INSTRUMENTS**

	<b>30 September 2014</b>		<b>31 December 2013</b>	
	<b><u>Asset</u></b>	<b><u>Liability</u></b>	<b><u>Asset</u></b>	<b><u>Liability</u></b>
<b>Derivative swap instruments</b>				
Swap transactions in foreign exchange	-	-	-	2.440
Interest rate swap transactions	-	-	839	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>839</b>	<b>2.440</b>

***(a) Foreign currency swap transactions***

There is no open swap transactions (31 December 2013: USD 20.000) of the Group as of 30 September 2014 (31 December 2013: TL 2.440 financial liability)

***(b) Interest rate swap transactions***

There is no interest rate swap agreement of the Group as of 30 September 2014 (31 December 2013: TL 839 financial asset)

**NOTE 22 - PROVISION FOR EMPLOYMENT BENEFITS**

***a) Payables regarding benefits provided to employees***

The details of payables regarding employee benefits as of 30 September 2014 and 31 December 2013 are as follows:

	<b>30 September 2014</b>	<b>31 December 2013</b>
Social security payables	11.125	11.704
Payables to personnel	21.419	14.695
	<b>32.544</b>	<b>26.399</b>

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**NOTE 22 – PROVISION FOR EMPLOYMENT BENEFITS (Continued)**

***b) Short term provision within employment benefits***

Details of short term provision within employment benefits for the period of 30 September 2014 and 31 December 2013 are as follows;

	<b>30 September 2014</b>	<b>31 December 2013</b>
Unused vacation provision	45.951	41.343
Premium provision	-	30
	<b>45.951</b>	<b>41.373</b>

***c) Long term provision within employment benefits***

Details of long term provision within employment benefits for the period of 30 September 2014 and 31 December 2013 are as follows;

	<b>30 September 2014</b>	<b>31 December 2013</b>
Provision for employment termination benefits	104.693	103.521
	<b>104.693</b>	<b>103.521</b>

Except from the legal requirements other than Turkey in which the Group operates, there are no pension plans and benefits.

Under the Turkish Labour Law, the Group is required to pay termination benefits to each employee who has completed one year of service and whose employment is terminated without due cause, or who is called up for military service, dies and achieves the retirement age. At 30 September 2014 the amount payable maximum equals to one month of salary is TL 3.438,22 (exact) (31 December 2013: TL 3.254,45 (exact)) for each year of service.

On the other hand, the Group is liable to make payments to personnel who work for a minimum of 5 years and whose employment is terminated without due cause in accordance with the Regulations with regards to Employees Employed in the Press Sector. The maximum payable amount is 30 days' flat salary for each year of service. Employment termination benefit liabilities are not subject to any funding and there are no legal requirements for funding of these liabilities.

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**NOTE 22 – PROVISION FOR EMPLOYMENT BENEFITS (Continued)**

**c) Long term provision within employment benefits (continued)**

Provision for employment termination benefits is not subject to any legal funding. Provision for employment termination benefits is calculated by estimating the present value of the future probable obligation arising from the retirement of the employees of the Group. In 2012, the Group has decided to early adopt the amendments to TAS 19 (Employee Benefits) which is applicable as of 1 January 2013 and recognized all actuarial gains and losses in other comprehensive income statement.

Actuarial assumptions used in the calculation of the retirement pay provision are as following:

- discount rate is applied as 9,70% (31 December 2013: 9,70%), inflation rate applied as 6,40% (31 December 2013: 6,40%) and rate of increase in real wages applied as 6,40% (31 December 2013: 6,40%) in the calculation.
- the calculation is made based on the maximum salary rate of TL 3.438,22 effective as of 30 September 2014 (31 December 2013: TL 3.254,44).
- age of retirement is based on considering the Company's historical operating data and taken as the average age of retirement from the Group.

The movement of provision for severance pay within the period is as follows:

	<b>2014</b>	<b>2013</b>
1 January	103.521	94.375
Current period service cost and net interest expense from continued operations	13.419	11.539
Payments during the period from continued operations	(9.199)	(6.629)
Disposal of subsidiary <sup>(1)</sup>	(3.048)	-
<b>30 September</b>	<b>104.693</b>	<b>99.285</b>

(1) The amount resulted from the reversal of provisions due to the disposal of the Group's subsidiary Dogan Ofset Yayıncılık ve Matbaacılık A.Ş.

Total costs excluding the actuarial loss regarding employment benefits are presented in consolidated statement of profit or loss prepared as of 30 September 2014. As of 30 September 2014, no actuarial losses have been recorded (30 September 2013: None). As of 30 September 2014 there has not been calculated actuarial gain/loss, since actuarial assumptions affecting variables and parameters, accounting and personnel movements (net) does not change significantly.

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**NOTE 23 – EQUITY**

Doğan Holding adopted the registered paid-in capital system and set a limit on its registered paid-in capital representing registered type shares with a nominal value of TL 1.

Doğan Holding’s authorized, historical and issued capital at 30 September 2014 and 31 December 2013 are as follows:

	<b>30 September 2014</b>	<b>31 December 2013</b>
Limit on registered capital	4.000.000	4.000.000
Issued capital	2.616.938	2.450.000

There are no privileged shares of Doğan Holding.

With the decision made by Board of Directors of Doğan Holding on 27 August 2014, the issued capital of Doğan Holding, which is TL 2.450.000, within the TL 4.000.000 registered capital ceiling, is to be increased to TL 2.616.938 due to the merger which took place under Doğan Holding, through the entire “take over” of Doğan Yayın Holding with all its assets and liabilities being ceased due to dissolution without liquidation by Doğan Holding(Note 1). The “Issuance Certificates” for a total of 166.938.288 shares with a nominal value of TL 1 (one) each, to be issued to represent the TL 166.938 increased within the scope of the capital increase have been approved by the CMB, and are enclosed on 29 August 2014 Article 7 of the Articles of Association, “Registered and Issued Capital”, for the increase of the issued capital to TL 2.616.938 has been registered with the Trade Registry on 3 September 2014.

Non-cash capital increase amounting to TL 166.938, which was stated above as the merger effect in the accompanying consolidated financial statements, cash outflow effect amounting to TL 70.972 regarding the use of exit right, transfer of restricted reserve from profit amounting to TL 89.672 from Doğan Yayın Holding (has ceased due to dissolution without liquidation), TL 34.529 premium transfer on the shares (net) and as the result of the Merger; the transfer amounting to TL 384.952 from non-controlling interests to retained earnings/ (the loss) attributable to the parent company is presented by offsetting in the statement of shareholder’s equity, and accordingly accumulated losses of the parent company has decreased by TL 22.841.

The ultimate shareholders of Doğan Holding are Aydın Doğan and Doğan Family (Işıl Doğan, Arzuhan Yalçındağ, Vuslat Sabancı, Hanzade V. Doğan Boyner and Y.Begümhan Doğan Faralyalı) and the shareholders of Holding and the historical values of shares in equity at 30 September 2014 and 31 December 2013 are as follows:

<b>Shareholder</b>	<b>Share %</b>	<b>30 September 2014</b>	<b>Share %</b>	<b>31 December 2013</b>
Adilbey Holding A.Ş.	49,32	1.290.679	52,68	1.290.679
Doğan Family	14,41	377.126	14,48	354.664
Publicly traded on Borsa İstanbul <sup>(1)</sup>	36,27	949.133	32,84	804.657
<b>Issued capital</b>	<b>100</b>	<b>2.616.938</b>	<b>100</b>	<b>2.450.000</b>
Adjustment to issued capital		143.526		143.526
<b>Total</b>		<b>2.760.464</b>		<b>2.593.526</b>

(1) In accordance with the Capital Markets Board’s (the “CMB”) Resolution No:31/1059 issued on 30 October 2014 and 21/655 issued on 23 July 2010, it is regarded that 35,48% of the shares (31 December 2013: 32,36%) are outstanding as of 30 September 2014 based on the Central Registry Agency’s (“CRA”) records.

Adjustment to share capital represents the difference between cash and cash equivalent contributions to the total amounts adjusted for inflation added to issued share capital issued and amounts before inflation adjustment.

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**NOTE 23 – EQUITY (Continued)**

***Share Premiums***

Share premiums/discounts represent the positive or negative differences resulting from the nominal value and sales value of public shares.

	<b>30 September 2014</b>	<b>31 December 2013</b>
Share premiums	163.724	630
Share discounts (-)	(128.565)	-
<b>Total</b>	<b>35.159</b>	<b>630</b>

***Restricted reserves***

Restricted reserves are reserved from the prior period profit due to legal or contractual obligations or for certain purposes other than the profit distribution (for example, to obtain the tax advantage of gain on sale of associates). Restricted reserves are in the scope of solo legal records in accordance with TCC and TPL.

General Statutory Legal Reserves are reserved according to the article 519 of Turkish Commercial Code and used in accordance with the principles set out in this article. The afore-mentioned amounts should be classified in "Restricted Reserves" in accordance with the CMB's Financial Reporting Standards.

The details of restricted reserves as of 30 September 2014 and 31 December 2013 are as follows:

<b>Restricted reserves</b>	<b>30 September 2014</b>	<b>31 December 2013</b>
General legal reserves	159.264	124.163
Gain on sale of subsidiary's shares	1.086.479	1.018.500
<b>Total</b>	<b>1.245.743</b>	<b>1.142.663</b>

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**NOTE 23 – EQUITY (Continued)**

**Venture capital fund**

Doğan Holding applied to the CMB for establishment of Melek Girişim Sermayesi Yatırım Ortaklığı A.Ş. and approval of Main Articles of Association with registered capital ceiling of TL 100.000 and an initial capital of TL 36.000

***Accumulated Other Comprehensive Income and Expenses not to be Reclassified in Profit or Loss***

The Company's investment property revaluation reserves and actuarial losses of defined benefit plans that aren't reclassified in accumulated other comprehensive income and expenses are summarized below.

***i. Investment Property Revaluation Reserves***

Real estates recognized as property, plant and equipment in prior periods, can be transferred to investment property due to changes in use. The Group has reclassified some of its properties in 2012 as investment property and has chosen to account such investment properties at fair value. Accordingly, fair value increase at the initial transfer amounting to TL 1.002 is recognized as revaluation reserve under shareholders equity.

***ii. Actuarial losses in defined benefit plans***

Provision for employment termination benefits is calculated by estimating the present value of the future probable obligation arising from the retirement of the employees of the Group. In 2012, the Group has decided to early adopt the amendments to TAS 19 which is applicable as of 1 January 2013 and recognized all actuarial gains and losses in other comprehensive income. Actuarial loss recognized under equity in the balance sheet amounts to TL 29.577 (31 December 2013: 29.577 TL)

***Accumulated Other Comprehensive Income and Expenses to be Reclassified in Profit or Loss***

***i. Financial Assets Revaluation Reserves***

Financial assets revaluation reserves occurred by accounting on net book values after reflecting deferred tax impact of unearned gains and losses composed of changes of fair values of assets held for sale. The amount of revaluation gain of assets held for sale presented under equity in balance sheet is TL 222 in the current period (31 December 2013: TL 1.153 loss).



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**NOTE 23 – EQUITY (Continued)**

***Capital Reserves and Retained Earnings***

Subsequent to the first inflation adjusted financial statements, equity items such as; “Capital, Emission Premiums, General Statutory Legal Reserves, Statutory Reserves, Special Reserves and Extraordinary Reserves” are carried at carrying value in the balance sheet and their adjusted values based on inflation are collectively presented in equity accounts group.

In accordance with the CMB regulations, “Share capital”, “Restricted Reserves” and “Share Premiums” shall be carried at their statutory amounts. The valuation differences resulted due to the inflation adjustment shall be disclosed as follows:

- If the difference is due to the “Issued Capital” and not yet been transferred to capital, it should be classified under “Capital adjustment difference to share capital”;
- If the difference is due to “Restricted Reserves” and “Share Premium” and the amount has not been subject to dividend distribution or capital increase yet, it shall be classified under “Retained Earnings/ Losses”.

Other equity items are carried at the amounts valued in accordance with CMB’s Financial Reporting Standards.

Capital adjustment differences have no other use than to be included to the capital.

***Dividend Distribution***

The Company decides to distribute profit and makes profit distribution in accordance with the Turkish Commercial Code, Capital Market Law (CML), Capital Market Board (CMB) Regulations and Laws; Tax Legislations; other related statutory legislation and Articles of Association and Resolutions of General Assembly. Profit distribution is determined by Profit Distribution Policy.

On the other hand,

- a) Retained earnings derived from the repreparation of comparative financial statements based on the first time adoption of TAS,
- b) “Equity inflation adjustment differences” derived from resources that do not have any restriction regarding profit distribution,
- c) Retained earnings derived from the first time inflation adjustment of financial statements, can be distributed to shareholders as cash dividends.

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**NOTE 23 – EQUITY (Continued)**

***Dividend Distribution (continued)***

In addition, if the consolidated financial statements include the "Purchasing Impact on Equity" item under equity, the related item is not considered as a deductible or additional item when presenting net distributable profit for the period.

In Doğan Holding's regular general meeting as of 31 March 2014, by followings have been taken into consideration: Capital Market Regulations, Capital Market Law, CMB Regulations/Decisions, Corporate Tax, Income Tax, Tax Procedure Law and other relevant legal regulations and articles of incorporation of company and publicly announced "Dividend policy";

- Within the scope of the requirements of the CMB based on the audited consolidated financial statements prepared for the period 1 January 2013 – 31 December 2013 in accordance with Turkish Accounting Standards (TAS) and Turkish Financial Reporting Standards (TFRS) , the Capital Markets Board ("CMB")'s No. II-14.1 "Principles of Financial Reporting in Capital Markets" ("Communiqué No. II-1.14"), the Group's "Consolidated Net Loss for the Period" is calculated as TL 38.140, considering its "current period tax expense", "deferred tax expense" and "net loss on discontinued operations". After the deduction of "accumulated loss" of TL 437.186 which is calculated based on the Dividend Distribution guide issued by CMB on 27 January 2014 with weekly bulletin numbered 2014/2 and addition of donations amounting to TL 788, and deduction of "Legal Reserve" amounting to TL 13.407 calculated in accordance with TCC Legislation No.519, it is noted that a "Donations included Net Loss for Period" of TL 487.945 has been incurred and decided not to distribute any profits for the period 1 January 2013 - 31 December 2013 based on the CMB's profit distribution requirements and the matter to be submitted to the General Assembly,

- To state that there is an amount of "Net Period Profit" of TL 334.530 in the accounting period between January 1, 2013 and December 31, 2013 according to the legal records made as per Turkish Commercial Code and Tax Procedure Law; that the "Net Profit for the period" of TL 334.530 is to be deducted for the accumulated losses of TL 66.387 that are in our records; and that, out of the "Net Profit for the period" of TRY 268.143 left after the deduction, an amount of TL 13.407 is reserved as "General Legal Reserves" and TL 254.736 is reserved as "Extraordinary Reserves".

The CMB's requires the disclosure of total amount of net profit in the statutory records and other resources which may be subject to distribution. As of the balance sheet date, the Company's gross amount of resources that may be subject to the profit distribution based on the statutory records amounts to TL 2.313.800. (31 December 2013: TL 1.781.968).

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**NOTE 23 – EQUITY (Continued)**

The shareholders equity of Doğan Holding is as below:

	<b>30 September 2014</b>	<b>31 December2013</b>
Share capital	2.616.938	2.450.000
Adjustment to share capital	143.526	143.526
Share premium/discount,net	35.159	630
Gains on revaluation of investment property	1.002	1.002
Actuarial losses in defined benefit plans	(29.577)	(29.577)
Venture capital fund	35.425	-
Translation reserve	120.098	143.215
Revaluation of financial assets available for sale and/ or classification gains / losses	(222)	(1.153)
Restricted reserves assorted from profit	1.245.743	1.142.663
- <i>General legal reserves</i>	159.263	124.163
- <i>Gain on sale of equity participations</i>	1.086.480	1.018.500
Retained loss	(626.111)	(561.979)
Net loss for the period	(95.822)	(38.140)
<b>Total shareholders' equity</b>	<b>3.446.159</b>	<b>3.250.187</b>

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**NOTE 24- REVENUE AND COST OF SALES**

	<b>1 January- 30 September 2014</b>	<b>1 July- 30 September 2014</b>	<b>1 January- 30 September 2013</b>	<b>1 July- 30 September 2013</b>
Domestic sales	2.621.524	850.513	2.399.693	661.343
Sales abroad	361.621	134.027	343.587	186.480
Sales returns and discounts	(348.298)	(136.749)	(314.535)	(127.614)
<b>Net sales</b>	<b>2.634.847</b>	<b>847.791</b>	<b>2.428.745</b>	<b>720.209</b>
Cost of sales (-)	(2.012.410)	(642.682)	(1.765.734)	(544.011)
<b>Gross profit</b>	<b>622.437</b>	<b>205.109</b>	<b>663.011</b>	<b>176.198</b>

The details of cost of sales for the interim periods ended 30 September 2014 and 2013 are disclosed in Note 5 – "Segment Reporting.

*Detail of the sales of publishing industrial segment is presented below:*

	<b>2014</b>		<b>2013</b>	
	<b>1 January- 30 September</b>	<b>1 July- 30 September</b>	<b>1 January- 30 September</b>	<b>1 July- 30 September</b>
Advertisement income	454.665	137.594	475.751	136.144
Circulation and printing income	217.074	65.964	238.540	77.923
Other <sup>(1)</sup>	280.850	88.988	275.554	36.311
<b>Total</b>	<b>952.589</b>	<b>292.546</b>	<b>989.845</b>	<b>250.378</b>

<sup>(1)</sup> Other income belonging to publishing industrial segment consist of distribution, paper sales and other income

*Detail of the sales of broadcasting industrial segment is presented below:*

	<b>2014</b>		<b>2013</b>	
	<b>1 January- 30 September</b>	<b>1 July- 30 September</b>	<b>1 January- 30 September</b>	<b>1 July- 30 September</b>
Advertisement income	402.125	100.258	446.828	103.241
Subscription income	344.546	112.156	295.619	100.877
Other <sup>(1)</sup>	86.662	31.689	80.952	30.278
<b>Total</b>	<b>833.333</b>	<b>244.103</b>	<b>823.399</b>	<b>234.396</b>

<sup>(1)</sup> Other income belonging to broadcasting industrial segment consist of broadcast and copy right sales of movies, series, football game, music album; interactive and digital revenues, TV market and service income.

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**NOTE 24- REVENUE AND COST OF SALES (Continued)**

*Detail of the sales of retail industrial segment is presented below:*

	<b>2014</b>		<b>2013</b>	
	<b>1 January- 30 September</b>	<b>1 July- 30 September</b>	<b>1 January- 30 September</b>	<b>1 July- 30 September</b>
Retail income	361.891	125.686	279.800	101.822
<b>Total</b>	<b>361.891</b>	<b>125.686</b>	<b>279.800</b>	<b>101.822</b>

*Detail of the sales of energy industrial segment is presented below:*

	<b>2014</b>		<b>2013</b>	
	<b>1 January- 30 September</b>	<b>1 July- 30 September</b>	<b>1 January- 30 September</b>	<b>1 July- 30 September</b>
Electricity sale income	207.578	70.087	103.775	30.759
<b>Total</b>	<b>207.578</b>	<b>70.087</b>	<b>103.775</b>	<b>30.759</b>

*Detail of the sales of other industrial segment is presented below:*

	<b>2014</b>		<b>2013</b>	
	<b>1 January- 30 September</b>	<b>1 July- 30 September</b>	<b>1 January- 30 September</b>	<b>1 July- 30 September</b>
Industrial income	173.618	58.737	137.018	52.414
Tourism income	50.741	26.733	46.203	23.593
Other <sup>(1)</sup>	55.097	29.899	48.705	26.847
<b>Total</b>	<b>279.456</b>	<b>115.369</b>	<b>231.926</b>	<b>102.854</b>

<sup>(1)</sup> Other sales income mainly consists of the total income obtained from real estate, gsm and organic agricultural operations.

**NOTE 25 - RESEARCH AND DEVELOPMENT EXPENSES, MARKETING, SALES AND  
DISTRIBUTION EXPENSES, GENERAL ADMINISTRATIVE EXPENSES**

	<b>1 January- 30 September 2014</b>	<b>1 July- 30 September 2014</b>	<b>1 January- 30 September 2013</b>	<b>1 July - 30 September 2013</b>
General administrative expenses	(271.846)	(101.885)	(258.255)	(73.301)
Selling, marketing and distribution expenses	(377.923)	(133.304)	(327.428)	(109.011)
<b>Operating expenses</b>	<b>(649.769)</b>	<b>(235.189)</b>	<b>(585.683)</b>	<b>(182.312)</b>

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**NOTE 26 - EXPENSES BY NATURE**

The details of cost of sales, marketing, selling and distribution expenses and general administrative expenses for the interim periods ended 30 September 2014 and 2013 are presented below, and costs regarding service income are distributed to various expenses.

	<b>1 January- 30 September 2014</b>	<b>1 July- 30 September 2014</b>	<b>1 January- 30 September 2013</b>	<b>1 July- 30 September 2013</b>
Personnel expenses	(503.926)	(163.077)	(500.722)	(168.669)
Cost of trade goods sold	(503.340)	(174.073)	(431.374)	(99.329)
Television programme production costs	(343.623)	(96.744)	(287.447)	(88.381)
Depreciation expense <sup>(1)</sup> (Note 14, 15)	(165.604)	(54.563)	(158.624)	(51.969)
Electricity purchase cost	(161.789)	(68.988)	(76.511)	(32.821)
Paper costs	(135.808)	(44.009)	(142.996)	(49.168)
Raw material and supplies	(104.590)	(36.349)	(84.746)	(35.536)
ADSL receiver costs	(80.389)	(25.754)	(75.279)	(25.250)
Rent expense	(70.138)	(23.961)	(55.262)	(21.857)
Advertisement expense	(66.359)	(24.061)	(71.232)	(21.118)
Printing, production and other raw material cost	(62.088)	(14.364)	(73.751)	(25.056)
Amortization expenses of television programme right (Note 15)	(56.879)	(22.078)	(27.665)	(9.986)
Transportation, storage and travel Expenses	(51.697)	(17.137)	(53.763)	(20.076)
General production overhead	(50.230)	(17.819)	(25.280)	(10.437)
Consulting expenses	(32.476)	(11.157)	(31.838)	(11.124)
Telecommunication service expenses	(25.150)	(9.115)	(29.527)	(10.375)
Satellite usage fees	(21.341)	(7.323)	(15.724)	(5.666)
Outsource expense	(15.541)	(5.684)	(14.825)	(4.530)
Promotion expenses	(12.623)	(4.061)	(18.052)	(4.378)
RTSC share in advertisement	(12.547)	(3.330)	(13.903)	(3.236)
Communication expenses	(11.788)	(3.904)	(12.325)	(6.734)
Various taxes	(7.285)	(3.531)	(5.791)	(1.270)
Other	(166.968)	(46.789)	(144.780)	(19.357)
	<b>(2.662.179)</b>	<b>(877.871)</b>	<b>(2.351.417)</b>	<b>(726.323)</b>

- (1) As of 30 September 2014, TL 85 (30 September 2013: TL 247) of depreciation and amortization expenses and, redemption is reflected in inventories.

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**NOTE 27 - OTHER INCOME AND EXPENSES FROM OPERATING ACTIVITIES**

	<b>1 January- 30September 2014</b>	<b>1 July- 30September 2014</b>	<b>1 January- 30September 2013</b>	<b>1 July- 30September 2013</b>
<b>Other operating income</b>				
Foreign exchange gains	140.183	79.595	247.170	137.242
Finance income due to sales with maturity	33.678	8.313	48.717	15.905
Interest income on bank deposit	37.432	10.158	55.839	6.764
Reversed provisions	9.570	1.310	10.032	1.489
Usage of VAT discount	5.190	2.167	4.133	1.770
Rent income (1)	962	293	4.615	1.095
Other	15.042	2.472	14.292	7.097
	<b>242.057</b>	<b>104.308</b>	<b>384.798</b>	<b>171.362</b>

(1) The balance includes the rental income of the facility that is subject to superficies right of the Group's subsidiary Milta Tourism registered on 23 December 2013.

	<b>1 January- 30 September 2014</b>	<b>1 July- 30 September 2014</b>	<b>1 January- 30September 2013</b>	<b>1 July- 30 September 2013</b>
<b>Other operating expense</b>				
Foreign exchange losses	(37.589)	(3.649)	(65.364)	(36.700)
Provision for doubtful receivables(Note 9)	(29.565)	(8.710)	(28.837)	(4.844)
Finance expense due to purchases with maturity	(5.459)	(692)	(14.703)	(4.047)
Provision for lawsuits (Note 17)	(14.480)	(6.524)	(6.670)	(3.190)
Other penalties and compensations paid	(9.623)	(8.210)	(2.974)	(497)
Donations and grants	(4.987)	(1.571)	(5.532)	(5.532)
Provision for impairment on inventory (Note 11)	(2.485)	(925)	(2.504)	(111)
Other	(13.047)	(6.727)	(13.847)	(630)
	<b>(117.235)</b>	<b>(37.008)</b>	<b>(140.431)</b>	<b>(55.551)</b>

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**NOTE 28 - INCOME AND EXPENSES FROM INVESTING ACTIVITIES**

**Income from investing activities**

	<b>1 January- 30 September 2014</b>	<b>1 July- 30 September 2014</b>	<b>1 January- 30 September 2013</b>	<b>1 July- 30 September 2013</b>
Foreign exchange gains	28.626	25.325	153.370	46.874
Interest income of securities	14.615	8.373	20.074	6.406
Interest income of bank deposit	30.655	10.089	28.479	20.858
Gain on sale of property, plant,equipment and intangible asset <sup>(1)</sup>	33.382	30.366	5.216	3.027
Increase on fair value of investment properties (Note 13)	-	-	1.490	(1.275)
Gain on sale of subsidiary shares <sup>(2)</sup>	735	-	-	-
	<b>108.013</b>	<b>74.153</b>	<b>208.629</b>	<b>75.890</b>

(1)The portion of 28.377 is resulted from the land sale of the Group's subsidiary Hürriyet on 4 July 2014 in İzmir, Gaziemir with the size of 35.191,58 m2 and the land sale on 10 July 2014 in İstanbul, Esenyurt with the size of 17.725,69 m2.

(2) As of 28 February 2014, the Group transferred its subsidiary, Oglasnik d.o.o. to non-controlling interests for 2 Kuna (TL 0,8) (Note 30).

**Expense from investing activities**

	<b>1 January- 30 September 2014</b>	<b>1 July- 30 September 2014</b>	<b>1 January- 30 September 2013</b>	<b>1 July- 30 September 2013</b>
Foreign exchange losses	(19.354)	14.550	(74.712)	(48.471)
Exchange loss related to share purchase committment	(8.804)	39	-	-
Interest expense related to share purchase committment	(1.997)	(652)	(3.673)	(1.551)
Loss on sale of investment properties and Property,plant and equipment	(7.560)	(4.972)	(15.194)	(2.449)
Losses arising from changes of the fair value of investment properties (Note 13)	(1.760)	(3)	-	-
Goodwill impairment (Note 15)	(12.719)	-	-	-
Loss of subsidiary share <sup>(1)</sup>	(1.906)	(572)	(3.176)	(1.500)
Provision for impairment of goodwill regarding non-current assets classified as held for sale <sup>(2)</sup>	-	1.486	-	-
Loss on marketable securities' sales	(4.922)	(25)	(22.181)	(9.876)
Other	-	-	(233)	-
	<b>(59.022)</b>	<b>9.851</b>	<b>(119.169)</b>	<b>(63.847)</b>

(1) As of 7 April 2014, the Group transferred its subsidiary, Expressz Magyarország Media Kft.to non-controlling interests for 1 Euro (TL 2,9264) (Note 30).

(2) Provision for impairment of the fixed assets of Doğan Ofset, which were classified as assets held for sale in the period ended by 30 June 2014, was included to "loss on the sales of share of subsidiaries" in the current period since the subsidiary was disposed as of 18 July 2014.



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**NOTE 29 - FINANCE INCOME AND EXPENSE**

The details of finance income for the interim periods ended 30 September 2014 and 2013 are as follows:

<b>Financial income</b>	<b>1 January- 30 September 2014</b>	<b>1 July- 30 September 2014</b>	<b>1 January- 30 September 2013</b>	<b>1 July- 30 September 2013</b>
Foreign exchange gains	100.597	26.615	7.657	976
Interest income	1.558	1.155	-	-
	<b>102.155</b>	<b>27.770</b>	<b>7.657</b>	<b>976</b>

The details of finance expenses for the interim periods ended 30 September 2014 and 2013 are as follows:

<b>Financial expense</b>	<b>1 January- 30 September 2014</b>	<b>1 July- 30 September 2014</b>	<b>1 January- 30 September 2013</b>	<b>1 July- 30 September 2013</b>
Foreign exchange losses	(161.751)	(90.679)	(191.942)	(67.285)
Interest expense on bank borrowings	(132.137)	(55.938)	(150.867)	(63.029)
Bank commission expenses	(6.986)	(2.535)	(12.275)	(4.905)
Other	(1.577)	(215)	(3.038)	(2.968)
	<b>(302.451)</b>	<b>(149.367)</b>	<b>(358.122)</b>	<b>(138.187)</b>

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**NOTE 30 - ASSETS AS HELD FOR SALE AND DISCONTINUED OPERATIONS**

***i. Current Period Disposal of Subsidiary***

**Doğan Ofset Yayıncılık ve Matbaacılık A.Ş.**

The Group has sold its subsidiary Doğan Ofset Yayıncılık ve Matbaacılık A.Ş. to Fulya Kavak and Marsaş Baskı ve Ambalaj Sanayi Ticaret A.Ş. for EUR 4.579 on 18 July 2014.

Details of the assets and liabilities of the subsidiary disposed are as follows:

<b>Net book value of the assets disposed</b>	<b>30 September 2014</b>
Current Assets	
Cash and cash equivalents	642
Trade receivables	7.599
Inventories	2.204
Other receivables	241
Non-current Assets	
Tangible and Intangible assets	14.939
Short term liabilities	
Financial borrowings	2.753
Trade payables	5.139
Other short term liabilities	2.049
Long term liabilities	
Deferred tax liability	1.864
<b>Net assets disposed</b>	<b>13.820</b>
<b>Loss on subsidiary sale</b>	
Sales amount:	
Amounts paid as cash and cash equivalents	13.248
Cash inflow resulted from the sale:	
(Less) cash and cash equivalents disposed	(642)
Total obtained cash amount	12.606
<b>Loss on subsidiary sale (Note 28)</b>	<b>(572)</b>

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**NOTE 30 - ASSETS AS HELD FOR SALE AND DISCONTINUED OPERATIONS (Continued)**

***i. Current Period Disposal of Subsidiary (Continued)***

***- Oglasnik d.o.o., Expressz Magyarország Media Kft***

- In November 2013, the Group decided to dispose its subsidiaries operating in Hungary and Croatia so that companies' assets and liabilities are classified as assets held for sale and presented separately in the balance sheet. In 28 February 2014, the group transferred its subsidiary Oglasnik d.o.o. for Kuna 2 to the non-controlling interests (Note 28).
- The Group has disposed its subsidiary Expressz Magyarország Media Kft. to non-controlling shares for 1 Euro on 7 April 2014 (Note 28).

Information regarding sales profit/(loss) and total net book value of the assets described above, is presented as the following.

<b>Net book value of the assets disposed</b>	<b>30 September 2014</b>
Current Assets	
Cash and cash equivalents	869
Trade receivables	745
Other receivables	322
Other current assets	471
Non-current assets	
Tangible and Intangible assets	29.686
Provision regarding net assets disposed	(22.589)
Short term liabilities	
Trade payables	2.488
Other payables	770
Other short term liabilities	37
Long term liabilities	
Deferred tax liability	5.577
Other long term liabilities	33
<b>Net assets disposed</b>	<b>599</b>
<b>Loss on subsidiary sale</b>	
Sales amount:	
Amounts paid as cash and cash equivalents	-
Cash inflow resulted from the sale:	
(Less) cash and cash equivalents disposed	(869)
Total obtained cash amount	(869)
<b>Loss on subsidiary sale (Note 28)</b>	<b>(599)</b>

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**NOTE 30 - ASSETS AS HELD FOR SALE AND DISCONTINUED OPERATIONS (Continued)**

***ii. Current Period“Superficies Right”sale of Milta***

“Superficies Right” of Milta Turizm, a subsidiary of the Group, registered on 23 December 2013 to the deed, for 49 years beginning from 11 April 1985 on 92.476m<sup>2</sup> sized surface in Göynük village of Kemer, Antalya has been sold to Ceylan İşletme İnşaat Turizm Yatırım Nakliyat Gıda İçecek Sanayi ve Ticaret A.Ş. for EUR 20.000 on 18 February 2014 by negotiation. EUR 15.000 paid in cash and the remaining EUR 5.000 will be collected in four equal installments (EUR 1.250) beginning from 31 August 2015 until 31 August 2018. To the amount that will be paid with maturity, 3,25% interest and VAT regarding the interest will be applied as of the registration date. Exceptional portion of the profit from tax of “Superficies right” is accounted under a special fund in liabilities rather than in the statement of profit and loss.

Depending on the sales process, the Group classified “superficies right”, which was accounted in investment properties, to “assets held for sale” as of 31 December 2013 in the consolidated financial statements prepared in accordance with TAS/IFRS.

In the consolidated financial statements prepared as of 31 December 2013, investment properties are presented at fair value, and gain or loss arising from the changes in fair value is included to statement of profit or loss in the period of occurrence in accordance with TAS 40 After the balance sheet date on 18 February 2014, the amount of TL 59.888 (EUR 20.000) was determined for the sale of Milta Tourism’s “superficies right” in Kemer, and this amount was accepted as fair value as of 31 December 2013. In accordance with IFRS 5 and TAS 40, the positive valuation difference shown as income from investment activities in the profit or loss statements of the period ended 31 December 2013.

As a result of this valuation, the carrying value of the asset was set to the market(sales) value, thus in the sales transaction in 2014 no sales profit occurred in the CMB’s financial statements prepared in accordance with TAS/IFRS.

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**NOTE 30 - ASSETS AS HELD FOR SALE AND DISCONTINUED OPERATIONS (Continued)**

**iii. Prior Period Disposal of Subsidiary**

Oglasnik d.o.o

As of November 2013, Hürriyet, a subsidiary of the Group, has decided to dispose of its subsidiaries operating in Hungary and Croatia, and classified the assets and liabilities of these companies as non-current assets as held for sale and therefore disclosed separately in the balance sheet. As of 28 February 2014, the Group transferred its subsidiary, Oglasnik d.o.o.to non-controlling interests for 2 Kunas

Details of the assets and liabilities held for sale are as follows:

<b>Assets and Liabilities</b>	<b>31 December 2013</b>
Cash and cash equivalents	1.009
Trade receivables	894
Other receivable and other current assets	969
Intangible assets	27.265
Tangible assets	2.442
Provision related to disposal of net assets	(23.301)
<b>Total assets classified as asset as held for sale</b>	<b>9.278</b>
Trade payables	2.440
Other financial liabilities	1.012
Other payables	34
Deferred tax liability	5.760
<u>Other long term liabilities</u>	<u>32</u>
<b>Total liabilities classified as asset as held for sale</b>	<b>9.278</b>

**iv. Prior Period Sale of Property, Plant and Equipment**

The Group agreed to sell its land of 17.725,69 m2 located in the district of İstanbul, Esenyurt for US Dollars 9 million on 19 September 2013. As a result of this agreement, the land was reclassified as asset held for sale in the related period.

<b>Assets</b>	<b>31 December 2013</b>
Property, plant and equipment	4.685
<b>Total assets classified as held for sale</b>	
<b>Total assets (iii and iv Total)</b>	<b>13.963</b>

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**NOTE 30 - ASSETS AS HELD FOR SALE AND DISCONTINUED OPERATIONS (Continued)**

*v. Prior period discontinued operations*

The below mentioned assets are classified as discontinued operations as of 30 September 2013:

<b>Net result of discontinued operations</b>	<b>30 September 2013</b>
Sales	7.893
Cost of sales (-)	(4.340)
General administrative expenses (-)	(4.948)
Marketing, selling and distribution expenses (-)	(1.483)
Other income from operating activities	1.287
Other expenses from operating activities (-)	(877)
Finance expenses, net	78
Loss for the period before income taxes	(2.390)
Tax income	218
<b>Loss after tax from discontinued operations</b>	<b>(2.172)</b>

**NOTE 31 – INCOME TAXES**

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

*Corporate tax*

Corporate tax liabilities for the periods ended 30 September 2014 and 31 December 2013 are as follows:

	<b>30 September 2014</b>	<b>31 December 2013</b>
Provision for period income tax	25.418	112.259
Prepaid corporate taxes	(17.230)	(94.596)
<b>Taxes Payable For the Period</b>	<b>8.188</b>	<b>17.663</b>

	<b>30 September 2014</b>	<b>31 December 2013</b>
Corporate and income taxes payable	8.188	17.663
Deferred tax liabilities, net	61.821	66.242
<b>Tax Total</b>	<b>70.009</b>	<b>83.905</b>

*Turkey*

The Corporate Tax Law has been amended as of 13 June 2006 by Law No: 5520. The majority of the clauses of Law No: 5520 are effective as of 1 January 2006. Corporate tax rate for the fiscal year 2014 is 20% (2013: 20%) for Turkey. Corporate tax is payable at a rate of 20% on the total income of the Group after adjusting for certain disallowable expenses, corporate income tax exemptions (investment allowance, etc.) and corporate income tax deductions (such as research and development expenditures deduction). No further tax is payable unless there is dividend distribution.

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**NOTE 31 – INCOME TAXES (Continued)**

***Turkey (continued)***

Dividends paid to non-resident companies having representative offices in Turkey and resident companies are not subject to withholding tax. Dividends paid to companies except for those companies are subject to 15% of withholding tax. An increase in capital via issuing bonus shares is not considered as a profit distribution and thus does not incur withholding tax.

Companies calculate corporate tax quarterly at the rate of 20% over their corporate income and these amounts are disclosed by the end of 14th day and paid by the end of the 17th day of the second month following each calendar quarter-end. Advance taxes paid in the period are offset against the following period's corporate tax liability. If there is an outstanding advance tax balance as a result of offsetting, the related amount may either be refunded in cash or used to offset against for other payables to the government.

Tax Law No: 5024 "Amendments in Tax Procedural Law, Income Tax Law and Corporate Tax Law" published in the Official Gazette on 30 December 2003 requires income tax and corporate taxpayers whose earnings are determined based on the balance sheet to prepare their statutory financial statements by adjusting the non-monetary assets and liabilities for the changes in the general purchasing power of the Turkish Lira effective from 1 January 2004. The merger bonuses which occurred as a result of the mergers in POAŞ and Doğan Gazetecilik, were classified as a equalizing account, which is neither an asset nor a liability, by the Group, in its financial statements applied an inflation adjustment for the calculation of the corporate tax in 2004, due to the related legal provisions and Tax Procedural Law, titled "Inflation Adjustment Application" with number 17 and dated 24 March 2005.

In accordance with the related law, the cumulative inflation of last 36 months inflation rate (CPI) must exceed 100% and the inflation rate (CPI) of last 12 months must exceed 10%. There has not been inflation adjustment after 2005 due to the absence of conditions required.

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

Tax authorities can review accounting records within five years and if they determine any errors on the accounting records, tax payable can be reassessed as a result of another tax assessment.

Under the Turkish tax legislation, tax losses can be carried forward to offset against future taxable income for up to five years.

As publicly disclosed on 19 April 2011, the Company plans to make use of the requirements set out in relation to "Tax Base Increase" in Law No: 6111 "Restructuring of some receivables and Social Security and General Health Insurance Law and Other Law Amending Certain Laws and Decrees"; therefore, 50% of losses attributable to the periods that are subject to tax base increase will not be offset against the income to be obtained in 2010 and subsequent periods.

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**NOTE 31 – INCOME TAXES (Continued)**

*Turkey (continued)*

As of 30 September 2014, the Company has offset its financial losses attributable to the calculation of offsetting of tax asset against deductible financial losses or current tax provision in accordance with the above-mentioned principles.

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

*Exemption for participation in subsidiaries*

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

*Issued premiums exemption*

Gains from issued premiums derived from the disposal of sales at nominal values during incorporations and the capital increase of joint stock companies are exempt from corporate tax.

*Exemption for participation into foreign subsidiaries*

For companies participating in 10% or more of the capital of a non-resident limited liability or joint stock company,(except for those whose principal activity is financial leasing or investment property) 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 residence or business centre at the rate of at least 15% (minimum corporate income tax applicable in Turkey for those whose principal activity is finance assurance or insurance).

*Exemption for sale of participation shares and property*

75% of the gains derived from the sale of preferential rights, usufruct shares and founding shares from investment equity and real property which have remained in assets for more than two full years are exempt from corporate tax. For exemption, the relevant gain is required to be held in a fund account in liabilities for at least five years. The cost of the sale should be collected until the end of the second calendar year following the year of the sale.



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**NOTE 31 – INCOME TAXES (Continued)**

***Russian Federation***

The corporate tax rate effective in the Russian Federation is 20% (2013: 20%).

The Russian tax year is the calendar year and fiscal year ends other than the calendar year end are not applicable in the Russian Federation. The income taxes over gains are calculated annually. Tax payments are made monthly or depending on tax payer's discretion, 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 end.

According to the Russian Federation's tax legislation, financial losses can be carried forward for 10 years to be deducted from future taxable income. Restriction on the deductible financial losses has been revoked as of 2007. Maximum amount that can be deducted in any year is limited to 30% of the taxable income (2013:30%). Rights related to tax losses that have not been utilized in the related years are expired.

Tax can be refunded in practice; however, refund is generally available following the outcome of legal procedures. 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, withholding tax rate can be decreased.

The tax legislation of the Russian Federation is subject to various interpretations and changes frequently. The interpretation of tax legislation by tax authorities regarding the business of TME may differ from the management's interpretation.

The tax rates at 30 September 2014 applicable in the foreign countries, where the significant part of the Group's operations are performed, are as follows:

<u>Country</u>	<u>Tax rates (%)</u>
Germany <sup>(1)</sup>	28,0
Ukraine <sup>(2)</sup>	18,0
Slovenia	17,0
Belarus	18,0
Kazakhstan	20,0
Netherland <sup>(3)</sup>	25,0

<sup>(1)</sup> Corporate tax rate is applied as 15% for Germany. With an additional solidarity tax of 5,5% and municipal commerce tax varying in between 14% and 17% is also applied over the corporate tax.

<sup>(2)</sup> From 1 January 2014 tax rate decreased from 19% to 18%. In 2015 it will decrease to 17% and to 16% in 2016.

<sup>(3)</sup> Tax rate is 20% for the tax base up to initial EUR 200.000, 25% for over EUR 200.000.

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**NOTE 31 – INCOME TAXES (Continued)**

***Deferred Taxes***

The Group recognizes deferred tax assets and liabilities based upon temporary differences arising between their financial statements as reported under the POA's 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 the POA's Financial Reporting Standards and tax purposes.

Deferred taxes are calculated on temporary differences that are expected to be realized or settled based on the taxable income in coming years under the liability method using tax rates enacted at the balance sheet dates.

Deferred tax assets and liabilities are presented in net in the consolidated financial statements of the Group, since they are presented in net in the financial statements of subsidiaries and joint ventures, which are each individual tax payers. Temporary differences deferred tax assets and deferred tax liabilities at the table below are presented based on gross amounts.

The composition of cumulative temporary differences and the related deferred tax assets and liabilities in respect of items for which deferred tax has been provided at 30 September 2014 and 31 December 2013 using the enacted tax rates is as follows:

	<b>Cumulative temporary differences</b>		<b>Deferred tax assets/(liabilities)</b>	
	<b>30 September 2014</b>	<b>31 December 2013</b>	<b>30 September 2014</b>	<b>31 December 2013</b>
Differences between the tax base and carrying value of property, plant and equipment and intangible assets	109.392	80.854	21.878	16.171
Carry forward tax losses	166.378	273.439	33.276	54.688
Provision for doubtful receivables	89.424	85.452	17.885	17.090
Provision for employment termination benefits and unused vacation	150.644	144.894	30.129	28.979
Derivative financial liabilities	-	2.440	-	488
Deferred financial income of trade receivables	3.040	2.638	608	528
Other	36.795	66.612	7.359	13.323
<b>Deferred tax assets</b>			<b>111.135</b>	<b>131.267</b>
Net differences between the tax base and carrying value of property, plant and equipment and inventories and intangible assets	(856.755)	(963.056)	(171.351)	(192.611)
Net differences between fair value of investment properties and tax value	(32.100)	(23.649)	(1.605)	(4.730)
Derivative financial assets	-	(839)	-	(168)
<b>Deferred tax liabilities</b>			<b>(172.956)</b>	<b>(197.509)</b>
<b>Deferred tax liabilities, net</b>			<b>(61.821)</b>	<b>(66.242)</b>

Conclusions of netting has been reflected to consolidated balance sheet of the Group, since separate taxpayer companies Doğan Holding, subsidiaries and joint ventures has booked their deferred tax assets and liabilities by netting in their financial statements that were prepared in accordance with the POA Financial Reporting Standards. Temporary differences and deferred tax assets and liabilities shown above have been prepared on the basis of gross values.

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**NOTE 31 - INCOME TAXES (Continued)**

The Group recognized deferred tax assets over TL 166.378 of carry forward tax losses in the consolidated financial statements prepared in accordance with the POA's Financial Reporting Standards at 30 September 2014 (31 December 2013: TL 273.439). As of 30 September 2014 and 31 December 2013, the maturity analysis of carry forward tax losses is as follows:

	<b>30 September 2014<sup>(1)</sup></b>	<b>31 December 2013</b>
2014	(42.631)	(84.480)
2015	(44.762)	(35.250)
2016	(30.881)	(38.607)
2017 and after	(48.104)	(115.102)
	<b>(166.378)</b>	<b>(273.439)</b>

<sup>(1)</sup> Regarding the period, amount of accumulated past year financial loss according to the latest reducible years is presented accordingly within the scope of Law No. 6111.

Deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized. As of 30 September 2014, the Group does not recognize deferred tax from carry forward tax losses amounted to TL 1.294.932 (31 December 2013: TL 1.178.884).

Movements for net deferred taxes for the interim periods ended at 30 September 2014 and 2013 are as follows:

	<b>2014</b>	<b>2013</b>
1 January	(66.242)	(87.226)
Deferred tax asset/(liability) resulted by fair value increase on financial asset	1.097	2.233
Current year income	(3.134)	20.330
Currency translation differences	7.656	(6.772)
Other	(948)	3.946
Disposal of subsidiary	(250)	-
<b>30 September</b>	<b>(61.821)</b>	<b>(67.489)</b>

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**NOTE 31 - INCOME TAXES (Continued)**

The taxes on income reflected to the consolidated statement of profit or loss for the periods ended 30 September 2014 and 2013 are summarized below:

	<b>1 January- 30 September 2014</b>	<b>1 July- 30 September 2014</b>	<b>1 January- 30 September 2013</b>	<b>1 July- 30 September 2013</b>
Current	(29.189)	4.990	(103.639)	(32.534)
Deferred tax income/(expense)	(3.134)	(17.259)	20.330	11.575
<b>Total Tax Expense</b>	<b>(32.323)</b>	<b>(12.269)</b>	<b>(83.309)</b>	<b>(20.959)</b>

The reconciliation of the taxation on income in the consolidated statement of profit or loss for periods ended 30 September 2014 and 2013 and the tax calculated at the corporate tax rate based on the income before minority interests and taxation on income are as follows:

	<b>2014</b>	<b>2013</b>
Profit / (loss) before income taxes from continued operations	(113.775)	(38.001)
Current period tax expense calculated at 20%	22.755	7.600
Expenses non- deductible / not subject to tax	(29.474)	(37.075)
Incomes not subject to tax	1.375	472
Carry forward losses for which no deferred tax asset was recognized	(28.649)	(65.548)
Financial loss offset	21.571	6.681
Adjustment effects	(17.984)	2.343
Other	(1.917)	2.218
<b>Tax Expense</b>	<b>(32.323)</b>	<b>(83.309)</b>

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**NOTE 32 - EARNING/ (LOSS) PER SHARE**

Loss per share for each class of shares is described below:

	<b>2014</b>		<b>2013</b>	
	<b>1 January- 30 September</b>	<b>1 July- 30 September</b>	<b>1 January- 30 September</b>	<b>1 July- 30 September</b>
Net loss for the period	(95.822)	(12.507)	(41.184)	(13.752)
Weighted average number of shares with face value of TL 1 each	2.616.938	2.616.938	2.616.938	2.616.938
<b>Loss per share (TL)</b>	<b>(0,037)</b>	<b>(0,005)</b>	<b>(0,016)</b>	<b>(0,005)</b>
Net profit/ (loss) for the period from discontinuing operations	-	-	-	-
Net loss for the period from continuing operations	(95.822)	(12.507)	(41.184)	(13.752)
Weighted average number of shares with face value of TL 1 each	2.616.938	2.616.938	2.616.938	2.616.938
<b>Loss per share from continuing operations (TL)</b>	<b>(0,037)</b>	<b>(0,005)</b>	<b>(0,016)</b>	<b>(0,005)</b>
<b>Loss per share from discontinuing operations (TL)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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**NOTE 33 - RELATED PARTY DISCLOSURES**

For the purpose of accompanying consolidated financial statements, related parties are referred to as legal entities in which Doğan Holding directly or indirectly has participation, including any entities under joint control; real persons and/or legal entities that have direct or indirect control or joint control over the Company and their close family members (immediate family members) and legal entities having direct or indirect control or joint control by them and legal entities having significant effect over the Company or their key management personnel; Company's affiliates, subsidiaries and members of the BOD, key management and their close family member (immediate family members) and real persons and/or legal entities that are directly or indirectly controlled individually or jointly. As of 30 September 2014 and 31 December 2013, related party balances and transactions are described below:

**i) Balances of related parties:**

**Short term receivables from related parties:**

	<b>30 September 2014</b>	<b>31 December 2013</b>
Delüks Elektronik Hizmetler ve Tic A.Ş. <sup>(1)</sup>	3.708	3.334
D Market Elektronik Hizmetler ve Ticaret A.Ş. ("D Market") <sup>(2)</sup>	1.557	3.332
Doğan Elektronik Turizm Satış Pazarlama Hiz.ve Yay A.Ş. <sup>(2)</sup>	1.069	1.037
Ortadoğu Otomotiv Ticaret A.Ş. ("Ortadoğu Otomotiv") <sup>(3)</sup>	1.005	862
Altıncı Cadde Elektronik Ticaret A.Ş. <sup>(2)</sup>	597	931
D Elektronik Şans Oyunları Yayıncılık A.Ş. <sup>(2)</sup>	319	1.070
Gas Plus Erbil	275	291
Doğan ve Egmont Yayıncılık ve Yapımcılık Ticaret A.Ş. ("Doğan Egmont")	166	212
D Yapım Reklamcılık A.Ş.	119	83
Gümüştaş Madencilik	41	71
Doğan Portal ve Elektronik Ticaret A.Ş. ("Doğan Portal")	38	711
Kandilli Gayr. Yat. Yön. İnş. Ve. Tic. A.Ş.	-	722
Other	463	1.320
<b>Total</b>	<b>9.357</b>	<b>13.976</b>

<sup>(1)</sup> Receivables related to vehicle rent service of the Group.

<sup>(2)</sup> Receivables related to advertisement sale of the Group.

<sup>(3)</sup> Receivables related to electricity sale of the Group.

	<b>30 September 2014</b>	<b>31 December 2013</b>
<b><u>Short term other receivables from related parties:</u></b>		
Boyabat Elektrik <sup>(1)</sup>	17.092	1.390
Gümüştaş Madencilik ve Ticaret A.Ş. <sup>(2)</sup>	-	4.395
<b>Total</b>	<b>17.092</b>	<b>5.785</b>

<sup>(1)</sup> The balance consists of advances given for electricity purchases.

<sup>(2)</sup> The balance consists of loan used by relevant related party of the Group.

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**NOTE 33 - RELATED PARTY DISCLOSURES (Continued)**

**i) Balances of related parties (continued):**

	<b>30 September 2014</b>	<b>31 December 2013</b>
<b><u>Long term other receivables from related parties:</u></b>		
Kandilli Gayrimenkul Yat.Yön.İnş.ve Tic. A.Ş. ("Kandilli")	3.587	-
Nakkaştepe Gayrimenkul	1.015	-
<b>Total</b>	<b>4.602</b>	<b>-</b>

Other non-current receivables from related parties consists of the payments, regarding the cost of real estates purchased by the subsidiaries founded to achieve the Group's real estate projects.

<b><u>Short term trade payables to related parties:</u></b>	<b>30 September 2014</b>	<b>31 December 2013</b>
Doğan Burda Dergi Yayıncılık ve Pazarlama A.Ş. ("Doğan Burda") <sup>(1)</sup>	14.054	33.785
Doğan ve Egmont Yayıncılık ve Yapımcılık Ticaret A.Ş. ("Doğan Egmont") <sup>(2)</sup>	8.114	3.695
Other	1.487	1.047
<b>Total</b>	<b>23.655</b>	<b>38.527</b>

<sup>(1)</sup> The balance is the gross amount of the printing magazines purchase and receivables.

<sup>(2)</sup> Payables related to printing magazine and book purchase of the Group.

**ii) Transactions with related parties:**

**Service/ product purchases:**

	<b>2014</b>		<b>2013</b>	
	<b>1 January- 30 September</b>	<b>1 July- 30 September</b>	<b>1 January- 30 September</b>	<b>1 July- 30 September</b>
Boyabat Elektrik Üretim ve Ticaret A.Ş. <sup>(1)</sup>	35.646	11.115	38.788	13.424
Doğan Burda Dergi Yayıncılık ve Pazarlama A.Ş. ("Doğan Burda") <sup>(2)</sup>	27.502	9.246	27.494	9.375
Doğan ve Egmont Yayıncılık ve Yapımcılık Ticaret A.Ş. ("Doğan Egmont") <sup>(3)</sup>	17.246	4.037	16.958	9.261
Ortadoğu Otomotiv Ticaret A.Ş. <sup>(4)</sup>	11.193	3.809	11.364	5.546
Dergi Pazarlama Planlama ve Ticaret A.Ş. ("DPP") <sup>(5)</sup>	3.778	1.332	4.488	1.636
Adilbey Holding A.Ş. <sup>(6)</sup>	2.796	925	2.166	1.469
Other	3.248	2.131	7.685	3.198
<b>Total</b>	<b>101.409</b>	<b>32.595</b>	<b>108.943</b>	<b>43.909</b>

<sup>(1)</sup> The balance is resulted from electricity purchases of the Group from Boyabat Elektrik Üretim ve Ticaret A.Ş.

<sup>(2)</sup> The balance is resulted from magazine purchases of the Group from Doğan Burda.

<sup>(3)</sup> The balance is resulted from books and magazine purchases of the Group from Doğan Egmont.

<sup>(4)</sup> The balance is resulted from rental service purchase of the Group from Ortadoğu Otomotiv Ticaret A.Ş.

<sup>(5)</sup> The balance is resulted from circulation planning and magazine marketing services purchases of the Group.

<sup>(6)</sup> The balance is resulted from rent expenses of the Group to Adilbey Holding A.Ş.

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**NOTE 33 - RELATED PARTY DISCLOSURES (Continued)**

**ii) Transactions with related parties (continued):**

**Product and service sales to related parties:**

	<b>2014</b>		<b>2013</b>	
	<b>1 January- 30 September</b>	<b>1 July- 30 September</b>	<b>1 January- 30 September</b>	<b>1 July- 30 September</b>
Doğan Burda Dergi Yayıncılık ve Pazarlama A.Ş. (“Doğan Burda”) <sup>(1)</sup>	16.262	4.892	17.026	5.897
Ortadoğu Otomotiv Ticaret A.Ş. (“Ortadoğu Otomotiv”) <sup>(2)</sup>	8.309	4.218	7.850	7.850
Doğan ve Egmont Yayıncılık ve Yapımcılık Ticaret A.Ş. (“Doğan Egmont”) <sup>(1)</sup>	7.478	2.662	7.736	3.141
D-Market Elektronik Hizmetler ve Ticaret A.Ş. <sup>(3)</sup>	6.991	3.345	3.635	1.040
Gas Plus Erbil <sup>(4)</sup>	1.627	399	945	377
Adilbey Holding A.Ş.	215	69	747	542
D Elektronik Şans Oyunları ve Yayıncılık A.Ş.	97	34	687	195
Delüks Elektronik Hizmetler ve Ticaret A.Ş.	49	13	2.766	561
Other	3.577	1.684	4.486	1.930
<b>Total</b>	<b>44.605</b>	<b>17.316</b>	<b>45.878</b>	<b>21.533</b>

<sup>(1)</sup> The balance consists of raw material, printing and distribution services.

<sup>(2)</sup> Product and service sales of the Group to Ortadoğu Otomotiv Ticaret A.Ş. consist of the electricity sales.

<sup>(3)</sup> Product and service sales of the Group to D-Market Elektronik Hizmetler ve Ticaret A.Ş. consist of the raw material sales

<sup>(4)</sup> Service sales of the Group consists of the consultancy service provided to Gas Plus.

**Financial Income:**

	<b>2014</b>		<b>2013</b>	
	<b>1 January- 30 September</b>	<b>1 July- 30 September</b>	<b>1 January- 30 September</b>	<b>1 July- 30 September</b>
Delüks Elektronik Hizmetler ve Ticaret A.Ş.	290	94	143	88
Altıncı Cadde	48	48	-	-
Boyabat Elektrik Üretim ve Ticaret A.Ş.	-	-	11.829	3.301
Doğan Portal ve Elektronik Tic.A.Ş.	-	-	458	458
D Elektronik Şans Oyunları ve Yayıncılık A.Ş.	-	-	95	75
Doğan Elektronik Turizm Satış Pazarlama Hizmetleri ve Yayıncılık A.Ş.	-	-	21	21
Other	95	63	116	101
<b>Total</b>	<b>433</b>	<b>205</b>	<b>12.662</b>	<b>4.044</b>

Financial expense of the Group to the related parties is TL 3 as of the interim period ended by 30 September 2014.



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**NOTE 33 - RELATED PARTY DISCLOSURES (Continued)**

**ii) Transactions with related parties (Continued):**

**Purchases of property, plant and equipment  
and intangible assets:**

	<b>1 January- 30 September</b>	<b>1 July- 30 September</b>	<b>1 January- 30 September</b>	<b>1 July- 30 September</b>
D-Market Elektronik Hizmetler ve Ticaret A.Ş.	70	57	79	52
Doğan Portal ve Elektronik Tic. A.Ş	888	168	-	-
<b>Total</b>	<b>958</b>	<b>225</b>	<b>79</b>	<b>52</b>

**Remuneration of the members of the Board of Directors and key management personnel:**

Group determined member of the board of the directors, consultant of the board, group presidents and vice presidents, chief legal counsel, and directors key management personnel. The compensation of board members and key management personnel includes salaries, bonus, health insurance, communication and transportation and total amount of compensation is explained below:

	<b>1 January- 30 September 2014</b>	<b>1 July-30 September 2014</b>	<b>1 July-30 September 2013</b>	<b>1 July-30 September 2013</b>
Salaries and other short term benefits	8.712	2.840	9.716	3.406
Post-employment benefits	-	-	-	-
Other long term benefits	-	-	-	-
Termination benefits	-	-	-	-
Share based payments	-	-	-	-
<b>Total</b>	<b>8.712</b>	<b>2.840</b>	<b>9.716</b>	<b>3.406</b>

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**NOTE 34 - FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

***Financial Enstruments and Financial Risk Management***

The Group's activities expose it to a variety of financial risks; these risks are credit risk, market risk including the effects of changes in debt and equity market prices, foreign currency exchange rates, fair value interest rate risk and cash flow interest rate risk, and liquidity 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. The Group use derivative financial instruments in a limited manner to hedge these exposures.

Financial risk management is carried out by individual subsidiaries and joint ventures under the policies, which are approved of their Board of Directors within the limits of general principles set out by Doğan Holding.

***a) Market Risk***

***a.1) Foreign currency risk***

The Group is exposed to foreign exchange risk through the impact of rate changes on the translation of foreign currency liabilities to local currency. These risks are monitored and limited by analyzing foreign currency position. TL equivalents of foreign currency denominated monetary assets and liabilities on 30 September 2014 and 31 December 2013 before consolidation adjustments and reclassifications are as follows:

The Group is exposed to foreign exchange risk arising primarily from the USD and EUR, the other currencies have no material impact.

	<b>30 September 2014</b>	<b>31 December 2013</b>
Assets	2.152.886	2.480.267
Liabilities	(1.869.276)	(2.004.626)
Off-balance sheet net derivative liabilities	-	(2.572)
<b>Net foreign currency position</b>	<b>283.610</b>	<b>473.069</b>

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**NOTE 34 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)**

***a.1) Foreign currency risk (Continued)***

Sensitivity analysis for currency risk as of 30 September 2014 and 31 December 2013 and foreign currency denominated asset and liability balances are summarized below:

**30 September 2014**

	<b>TL Equivalent</b>	<b>USD</b>	<b>EUR</b>	<b>Other</b>
1. Trade receivables	117.181	53.653	45.515	18.013
2a. Monetary Financial Assets (Cash,Banks included)	1.577.712	952.663	602.636	22.413
2b. Non-Monetary Financial Assets	-	-	-	-
3. Other	185.539	248	185.275	16
<b>4. Current Assets (1+2+3)</b>	<b>1.880.432</b>	<b>1.006.564</b>	<b>833.426</b>	<b>40.442</b>
5. Trade receivables	-	-	-	-
6a. Monetary Financial Assets	20.636	11	104	20.521
6b. Non-Monetary Financial Assets	-	-	-	-
7. Other	251.818	251.818	-	-
<b>8. Non-Current Assets (5+6+7)</b>	<b>272.454</b>	<b>251.829</b>	<b>104</b>	<b>20.521</b>
<b>9. Total Assets (4+8)</b>	<b>2.152.886</b>	<b>1.258.393</b>	<b>833.530</b>	<b>60.963</b>
10. Trade Payables	116.908	73.924	22.583	20.401
11. Financial Liabilities	835.322	447.771	387.551	-
12a. Other Monetary Financial Liabilities	60.623	3.082	20.775	36.766
12b. Other Non-Monetary Financial Liabilities	4.934	90	357	4.487
<b>13. Current Liabilities (10+11+12)</b>	<b>1.017.787</b>	<b>524.867</b>	<b>431.266</b>	<b>61.654</b>
14. Trade Payables	-	-	-	-
15. Financial Liabilities	848.988	410.991	437.997	-
16a. Other Monetary Financial Liabilities	2.501	1.761	230	510
16b. Other Non-Monetary Financial Liabilities	-	-	-	-
<b>17. Non-Current Liabilities (14+15+16)</b>	<b>851.489</b>	<b>412.752</b>	<b>438.227</b>	<b>510</b>
<b>18. Total Liabilities (13+17)</b>	<b>1.869.276</b>	<b>937.619</b>	<b>869.493</b>	<b>62.164</b>
<b>19. Net asset/liability position of Off balance sheet derivatives (19a-19b)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>19a. Off balance sheet foreign Currency derivative assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>19b. Off balance sheet foreign Currency derivative liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>20. Net Foreign currency asset/(liability) position (9-18+19)</b>	<b>283.610</b>	<b>320.774</b>	<b>(35.963)</b>	<b>(1.201)</b>
<b>21. Net foreign currency asset/ (liability) position of monetary items (1+2a+5+6a-10-11-12a-14-15-16a)</b>	<b>(148.813)</b>	<b>68.798</b>	<b>(220.881)</b>	<b>3.270</b>

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**NOTE 34 - FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)**

***a.1) Foreign currency risk (continued)***

**31 December 2013**

	<b>TL Equivalent</b>	<b>USD</b>	<b>EUR</b>	<b>Other</b>
1. Trade receivables	153.655	74.960	54.638	24.057
2a. Monetary Financial Assets (Cash, Banks included)	1.812.830	979.404	800.439	32.987
3. Other	190.512	149.401	41.111	-
<b>4. Current Assets (1+2+3)</b>	<b>2.156.997</b>	<b>1.203.765</b>	<b>896.188</b>	<b>57.044</b>
5. Trade receivables	15.812	13.585	2.227	-
6a. Monetary Financial Assets	73.888	47.006	7.374	19.508
6b. Non-Monetary Financial Assets	-	-	-	-
7. Other	233.570	86.439	147.131	-
<b>8. Non-Current Assets (5+6+7)</b>	<b>323.270</b>	<b>147.030</b>	<b>156.732</b>	<b>19.508</b>
<b>9. Total Assets (4+8)</b>	<b>2.480.267</b>	<b>1.350.795</b>	<b>1.052.920</b>	<b>76.552</b>
10. Trade Payables	126.988	81.174	26.669	19.145
11. Financial Liabilities	886.833	727.702	159.131	-
12a. Other Monetary Financial Liabilities	43.849	1.212	9.071	33.566
12b. Other Non-Monetary Financial Liabilities	30.478	116	28.291	2.071
<b>13. Current Liabilities (10+11+12)</b>	<b>1.088.148</b>	<b>810.204</b>	<b>223.162</b>	<b>54.782</b>
14. Trade Payables	-	-	-	-
15. Financial Liabilities	909.311	737.960	171.351	-
16a. Other Monetary Financial Liabilities	7.167	-	7.166	1
16b. Other Non-Monetary Financial Liabilities	-	-	-	-
<b>17. Non-Current Liabilities (14+15+16)</b>	<b>916.478</b>	<b>737.960</b>	<b>178.517</b>	<b>1</b>
<b>18. Total Liabilities (13+17)</b>	<b>2.004.626</b>	<b>1.548.164</b>	<b>401.679</b>	<b>54.783</b>
<b>19. Net asset/liability position of Off balance sheet derivatives (19a-19b)</b>	<b>(2.572)</b>	<b>10.672</b>	<b>(13.244)</b>	<b>-</b>
<b>19a. Off balance sheet foreign Currency derivative assets</b>	<b>77.128</b>	<b>46.955</b>	<b>30.173</b>	<b>-</b>
<b>19b. Off balance sheet foreign Currency derivative liabilities</b>	<b>79.700</b>	<b>36.283</b>	<b>43.417</b>	<b>-</b>
<b>20. Net foreign currency asset/ (liability) position (9-18+19)</b>	<b>473.069</b>	<b>(186.697)</b>	<b>637.997</b>	<b>21.769</b>
<b>21. Net foreign currency asset/ (liability) position of monetary items</b>				
<b>(1+2a+5+6a-10-11-12a-14-15-16a)</b>	<b>82.037</b>	<b>(433.093)</b>	<b>491.290</b>	<b>23.840</b>

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**NOTE 34 - FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)**

***a.1) Foreign currency risk (continued)***

As of 30 September 2014 and 31 December 2013, foreign currency denominated asset and liability balances were converted with the following exchange rates: TL 2,2789 = USD 1 and TL 2,8914= EUR 1 (2013: TL 2,1343 = USD 1 and TL 2,9365 = EUR 1).

30 September 2014	Income/ Loss	
	Foreign currency appreciate	Foreign currency depreciate
	If the USD had changed by 10% against the TL	
1- USD net (liabilities)/assets	32.077	(32.077)
2- Hedging amount of USD (-)	-	-
<b>3- USD net effect on (loss)/income (1+2)</b>	<b>32.077</b>	<b>(32.077)</b>
	If the EUR had changed by 10% against the TL	
4- EUR net (liabilities)/assets	(3.596)	3.596
5- Hedging amount of USD (-)	-	-
<b>6- USD net effect on (loss)/income (4+5)</b>	<b>(3.596)</b>	<b>3.596</b>
	If the Other Currencies had changed by 10% against the TL	
7- Other net (liabilities)/assets	(120)	120
8- Hedging amount of Other (-)	-	-
<b>9- Other net effect on (loss)/income (7+8)</b>	<b>(120)</b>	<b>120</b>
<b>TOTAL (3+6+9)</b>	<b>28.361</b>	<b>(28.361)</b>

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**NOTE 34 - FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)**

**a.1) Foreign currency risk (continued)**

31 December 2013	Income/ Loss	
	Foreign currency appreciate	Foreign currency depreciate
	If the USD had changed by 10% against the TL	
1- USD net (liabilities)/assets	(18.670)	18.670
2- Hedging amount of USD (-)	-	-
<b>3- USD net effect on (loss)/income (1+2)</b>	<b>(18.670)</b>	<b>18.670</b>
	If the EUR had changed by 10% against the TL	
4- EUR net (liabilities)/assets	63.800	(63.800)
5- Hedging amount of USD (-)	-	-
<b>6- USD net effect on (loss)/income (4+5)</b>	<b>63.800</b>	<b>(63.800)</b>
	If the Other Currencies had changed by 10% against the TL	
7- Other net (liabilities)/assets	2.177	(2.177)
8- Hedging amount of other (-)	-	-
<b>9- Other net effect on (loss)/ income (7+8)</b>	<b>2.177</b>	<b>(2.177)</b>
<b>TOTAL (3+6+9)</b>	<b>47.307</b>	<b>(47.307)</b>

**a.2) Interest rate risk**

**- Publishing/ Broadcasting**

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

Borrowings issued at floating rates expose the Group to cash flow interest rate risk. Borrowings issued at fixed rate expose the Group to fair value interest rate risk. As of 30 September 2014 and 31 December 2013, the Group's borrowings at floating rates are predominantly denominated in USD and EUR.

**- Other**

Other operating segments are exposed to interest rate risk because of financial liabilities of these segments. Financial obligations in this segment are mainly composed of floating rate borrowings.

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**NOTE 34 -FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)**

***a.2) Interest rate risk (Continued)***

On 30 September 2014, if interest rates on USD denominated borrowings had been higher/lower by 100 basis points with all other variables held constant, loss before income taxes would have been TL 2.863 (30 September 2013: TL 2.872) higher, mainly as a result of high interest expense on floating rate borrowings.

On 30 September 2014, if interest rates on Euro denominated borrowings had been higher 100 basis points with all other variables held constant, loss before income taxes would have been TL 4.743 (30 September 2013: TL 1.167) higher/lower, mainly as a result of high interest expense on floating rate borrowings.

The table presenting Company's fixed and floating rate financial instruments is shown below:

	<b>30 September 2014</b>	<b>31 December 2013</b>
<b>Financial instruments with fixed rate</b>		
Financial assets		
- Banks (Note 6)	1.798.091	1.772.662
- Financial investments (Note 7)	134.688	139.508
Financial liabilities (Note 8)	1.341.467	991.215
<b>Financial instruments with floating rate</b>		
Financial liabilities (Note 8)	764.931	1.107.172

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**NOTE 34 -FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)**

**a.2) Interest rate risk (continued)**

The analysis of average annual interest rate (%) of financial assets and liabilities of the Group is as follows::

	<b>30 September 2014</b>			<b>31 December 2013</b>		
	<b>USD</b>	<b>EUR</b>	<b>TL</b>	<b>USD</b>	<b>EUR</b>	<b>TL</b>
<b>Assets</b>						
Cash and cash equivalents	0,15-6,00	0,05 -6,75	7,00-11,00	0,35-6,00	0,20 -6,75	5,98-10,16
Financial investments	7,10	5,60	8,30	6,53	5,64	10,63

**Liabilities**

Financial Liabilities	1,01-6,42	0,12-5,32	0-13,75	3,00-6,55	3,25-5,71	0-10,20
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The distribution of sensitivity to interest rates about the period for repricing of financial assets and liabilities is as follows:

<b>30 September 2014</b>	<b>Up to 3 months-</b>	<b>3 months-</b>	<b>1 year</b>	<b>1-5 years</b>	<b>Over 5 years</b>	<b>Free of Interest</b>	<b>Total</b>
<b>Assets</b>							
Cash and cash equivalents (Note 6)	1.798.091	-	-	-	-	180.837	1.978.928
Financial investments (Note 7)	-	-	106.423	-	-	28.265	134.688
<b>Total</b>	<b>1.798.091</b>	<b>-</b>	<b>106.423</b>	<b>-</b>	<b>-</b>	<b>209.102</b>	<b>2.113.616</b>
Short and long term financial Liabilities (Note 8) <sup>(1)</sup>	-	917.785	1.188.613	-	-	-	2.106.398
Other financial liabilities (Note 8)	-	182.365	-	-	-	-	182.365
<b>Total</b>	<b>-</b>	<b>1.100.150</b>	<b>1.188.613</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2.288.763</b>

<b>31 December 2013</b>	<b>Up to 3 months-</b>	<b>3 months-</b>	<b>1 year</b>	<b>1-5 years</b>	<b>Over 5 years</b>	<b>Free of Interest</b>	<b>Total</b>
<b>Assets</b>							
Cash and cash equivalents (Note 6)	1.772.662	-	-	-	-	443.699	2.216.361
Financial investments (Note 7)	-	-	136.465	-	-	3.043	139.508
<b>Total</b>	<b>1.772.662</b>	<b>-</b>	<b>136.465</b>	<b>-</b>	<b>-</b>	<b>446.742</b>	<b>2.355.869</b>
Short and long term financial Liabilities (Note 8) <sup>(1)</sup>	-	1.038.948	1.059.439	-	-	-	2.098.387
Other financial liabilities (Note 8)	-	199.365	183.182	-	-	-	382.547
<b>Total</b>	<b>-</b>	<b>1.238.313</b>	<b>1.242.621</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2.480.934</b>

<sup>(1)</sup> Bank borrowings are included in the interest rate sensitivity regarding the remaining time to repricing of financial borrowings.



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**NOTE 34 - FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)**

***b) Credit risk***

Credit risk involves the risk that counterparties may be unable to meet the terms of their agreements. These risks are monitored by credit ratings and by limiting the aggregate risk to any individual counterparty. The credit risk is generally highly diversified due to the large number of entities comprising the customer bases and their dispersion across many different industries.

The Group's credit risk of financial instruments as of 30 September 2014 is as follows:

	<u>Trade receivables</u>		<u>Other receivables</u>		<u>Cash and Cash equivalents</u>
	<u>Related Party</u>	<u>Other</u>	<u>Related Party</u>	<u>Other</u>	
<b>Maximum net credit risk as of balance sheet date</b>	<b>9.357</b>	<b>860.829</b>	<b>21.694</b>	<b>70.845</b>	<b>1.909.503</b>
<b>- The part of maximum risk under guarantee with collateral</b>	<b>-</b>	<b>87.014</b>	<b>-</b>	<b>15.062</b>	<b>-</b>
A. Net book value of neither past due nor impaired financial assets	9.357	582.604	21.694	70.845	1.909.503
- Guaranteed amount by collateral	-	51.755	-	15.062	-
B. Book value of restructured otherwise accepted as past due and impaired financial assets	-	-	-	-	-
C. Net book value of past due but not impaired assets (Note 9)	-	278.225	-	-	-
- Guaranteed amount by collateral (Note 9)	-	35.259	-	-	-
D. Impaired asset					
net book value	-	-	-	-	-
- Past due (gross amount) (Note 9, 19)	-	250.928	-	1.927	-
- Impairment (-) (Note 9, 19)	-	(250.928)	-	(1.927)	-
- Net value collateralized or guaranteed part of net value	-	-	-	-	-
- Not overdue (gross amount)	-	-	-	-	-
- Impairment (-)	-	-	-	-	-
- Net value collateralized or guaranteed part of net value	-	-	-	-	-

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**NOTE 34 - FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)**

The Group's credit risk of financial instruments as of 31 December 2013 is as follows:

	<b>Trade receivables</b>		<b>Other receivables</b>		<b>Cash and Cash equivalents</b>
	<b>Related Party</b>	<b>Other</b>	<b>Related Party</b>	<b>Other</b>	
<b>Maximum net credit risk as of balance sheet date</b>	<b>13.976</b>	<b>791.066</b>	<b>5.785</b>	<b>132.411</b>	<b>1.994.586</b>
<b>- The part of maximum risk under guarantee with collateral</b>	<b>-</b>	<b>74.221</b>	<b>-</b>	<b>78</b>	<b>-</b>
A. Net book value of neither past due nor impaired financial assets	13.976	609.364	5.785	132.411	1.994.586
- Guaranteed amount by collateral	-	41.482	-	78	-
B. Book value of restructured otherwise accepted as past due and impaired financial assets	-	-	-	-	-
C. Net book value of past due but not impaired assets (Note 9)	-	181.702	-	-	-
- Guaranteed amount by collateral (Note 9)	-	32.739	-	-	-
D. Impaired asset net book value	-	-	-	-	-
- Past due (gross amount) (Note 9,19)	-	232.160	-	1.954	-
- Impairment (-) (Note 9, 19)	-	(232.160)	-	(1.954)	-
- Net value collateralized or guaranteed part of net value	-	-	-	-	-
- Not overdue (gross amount)	-	-	-	-	-
- Impairment (-)	-	-	-	-	-
- Net value collateralized or guaranteed part of net value	-	-	-	-	-

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**NOTE 34 - FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)**

***b) Credit risk (continued)***

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

	<b>30 September 2014</b>		<b>31 December 2013</b>	
	<b>Related Party</b>	<b>Other Receivables</b>	<b>Related Party</b>	<b>Other Receivables</b>
1-30 days overdue	-	102.183	-	66.637
1-3 months overdue	-	103.565	-	64.463
3-12 months overdue	-	44.491	-	37.296
1-5 years overdue	-	27.986	-	13.306
<b>Total</b>	<b>-</b>	<b>278.225</b>	<b>-</b>	<b>181.702</b>
<b>Guaranteed amount by collateral</b>				
Publishing	-	29.141	-	28.383
Retail	-	-	-	-
Energy	-	-	-	-
Other	-	6.118	-	4.356
<b>Total</b>	<b>-</b>	<b>35.259</b>	<b>-</b>	<b>32.739</b>

***d) Liquidity risk***

Conservative liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying business, the Group aims maintaining flexibility in funding by keeping committed credit lines available.

As of 30 September 2014 and 31 December 2013, undiscounted cash flows of financial liabilities based on the agreement maturities are as follows:

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**NOTE 34 - FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)**

**c) Liquidity risk (continued)**

<b>30 September 2014</b>	<b>Book value</b>	<b>Contractual undiscounted cash flow</b>	<b>Less than 3 months</b>	<b>3-12 months</b>	<b>1-5 years</b>	<b>Over 5 years</b>
<b>Non-derivative financial liabilities</b>						
Short and long term						
financial borrowings (Note 8)	2.106.398	2.280.540	388.122	583.736	1.153.142	155.540
Trade payables (Note 9)	564.446	598.030	489.325	108.705	-	-
Other financial liabilities (Note 8)	182.365	183.173	-	183.173	-	-
Other payables (Note 10)	53.535	53.535	17.094	22.600	13.841	-
Trade payables to related parties (Note 33)	23.655	23.655	-	23.655	-	-
Short-term provisions regarding employee benefits (Note 22)	45.951	45.951	-	45.951	-	-
Payables regarding employee benefits (Note 22)	32.544	32.544	-	32.544	-	-
Other short term provisions (Note 17)	41.191	41.191	-	41.191	-	-
	<b>3.050.085</b>	<b>3.258.619</b>	<b>894.541</b>	<b>1.041.555</b>	<b>1.166.983</b>	<b>155.540</b>

**Derivative financial liabilities**

Derivative cash inflow (Note 21)	-	-	-	-	-	-
Derivative cash outflow (Note 21)	-	-	-	-	-	-
<b>Derivative cash inflow/outflow, net</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

<b>31 December 2013</b>	<b>Book value</b>	<b>Contractual undiscounted cash flow</b>	<b>Less than 3 months</b>	<b>3-12 months</b>	<b>1-5 years</b>	<b>Over 5 years</b>
<b>Non-derivative financial liabilities</b>						
Short and long term						
financial borrowings (Note 8)	2.098.387	2.323.923	530.908	562.567	1.064.522	165.926
Trade payables (Note 9)	498.152	503.841	358.455	144.101	1.285	-
Other financial liabilities (Note 8)	382.547	436.758	202.042	19.950	214.766	-
Other payables (Note 10)	68.222	69.184	39.015	15.011	14.196	962
Trade payables to related parties (Note 33)	38.527	38.527	38.476	51	-	-
Short-term provisions regarding employee benefits (Note 22)	41.373	41.373	-	41.373	-	-
Payables regarding employee benefits (Note 22)	26.399	26.399	-	26.399	-	-
Other short term provisions (Note 17)	31.581	31.581	-	3.059	28.522	-
	<b>3.185.188</b>	<b>3.471.586</b>	<b>1.168.896</b>	<b>812.511</b>	<b>1.323.291</b>	<b>166.888</b>

**Derivative financial liabilities**

Derivative cash inflow (Note 21)	839	839	839	-	-	-
Derivative cash outflow (Note 21)	(2.440)	(2.440)	(2.440)	-	-	-
<b>Derivative cash inflow/outflow, net</b>	<b>(1.601)</b>	<b>(1.601)</b>	<b>(1.601)</b>	<b>-</b>	<b>-</b>	<b>-</b>

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**NOTE 34 - FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)**

***d) 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 collectability are estimated to be at their fair values.

The carrying values of trade receivables along with the related allowances for collectability 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 amortised cost using the effective interest rate method and accordingly their carrying amounts approximate their fair values.

***e) 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 net liability/total equity ratio. Net liability is calculated as the total liability less cash and cash equivalents, derivative instruments and tax liabilities. Total equity is calculated as the total of net liability and the equity as shown in the consolidated balance sheet.

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**NOTE 34 - FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)**

***e) Capital risk management (continued)***

The net liability/ total equity ratio on 30 September 2014 and 31 December 2013 is summarized below:

	<b>30 September 2014</b>	<b>31 December 2013</b>
Total liability <sup>(1)</sup>	3.204.802	3.368.290
Less: Cash and cash equivalents (Note 6)	(1.978.928)	(2.216.361)
Net liability	1.225.874	1.151.929
Equity attributable to equity holders of the parent company	3.446.159	3.250.187
Total equity	4.672.033	4.402.116
<b>Net liability/Total equity ratio</b>	<b>%26</b>	<b>%26</b>

(1) The amounts are calculated by deducting income tax payable, derivative financial instruments and deferred tax liability accounts from total liability.

**NOTE 35 - FINANCIAL INSTRUMENTS**

**Fair value of financial instruments**

The fair values of financial assets and financial liabilities are determined as follows:

- Level 1: The fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices
- Level 2: The fair value of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions;
- Level 3: The fair value of the financial assets and financial liabilities is determined in accordance with the unobservable current market data.

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**NOTE 35 - FINANCIAL INSTRUMENTS (Continued)**

Based on the fair value hierarchy, the Group's financial assets and liabilities are categorized as follows:

	30 September 2014	Fair value at reporting date		
		1. Level TL	2. Level TL	3. Level TL
<b>Financial assets</b>				
Financial assets at FVTPL				
trading securities	-	-	-	-
trading derivatives	-	-	-	-
derivative instruments (Note 21)	-	-	-	-
Bonds and bills (Note 7)	106.423	106.423	-	-
<b>Total</b>	<b>106.423</b>	<b>106.423</b>	<b>-</b>	<b>-</b>
<b>Financial liabilities</b>				
Financial liabilities at FVTPL				
trading securities				
trading derivatives				
derivative instruments (Note 21)	-	-	-	-
Other financial liabilities	-			-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

	31 December 2013	Fair value at reporting date		
		1. Level TL	2. Level TL	3. Level TL
<b>Financial assets</b>				
Financial assets at FVTPL				
trading securities	-	-	-	-
trading derivatives	-	-	-	-
derivative instruments (Note 21)	839	-	839	-
Bonds and bills (Note 7)	136.465	136.465	-	-
<b>Total</b>	<b>137.304</b>	<b>136.465</b>	<b>839</b>	<b>-</b>
<b>Financial liabilities</b>				
Financial liabilities at FVTPL				
trading securities				
Trading derivatives				
Derivative Instruments (Note 21)	2.440	-	2.440	-
Other financial liabilities (Note 8, 17)	16.155			16.155
<b>Total</b>	<b>18.595</b>	<b>-</b>	<b>2.440</b>	<b>16.155</b>

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**NOTE 36 – SUBSEQUENT EVENTS**

**Amendment of the Share Purchase and the Shareholder Agreements**

The "Share Purchase" and the "Shareholders Agreements" dated 19.11.2009 signed between Doğan Holding, our direct subsidiaries Doğan TV Holding A.Ş. (DTV) and Doğan Yayın Holding A.Ş. (has ceased due to dissolution without liquidation) and Axel Springer A.G.'s direct subsidiaries Commerz-Film GmbH and Hauptstadtsee 809. V V GmbH (together the Axel Springer Group) and dated 16.11.2006 signed between Doğan Yayın Holding A.Ş. (has ceased due to dissolution without liquidation) and Axel Springer A.G. have been amended on 2 October 2014. Accordingly;

1- Provided that it shall take place earliest on January 30, 2015, and to be used in return for 50.000 EUR, the Axel Springer Group has an "put option" for 34.183.593 shares, and Doğan Holding has a "commitment to buy" ("DTV Put Option I"). The Axel Springer Group may exercise all or a part of its "put option". Payable amount will include interest calculated based on the 12-months compound Euro Libor plus 100 basis points as of January 2, 2007. There is a letter of guarantee given to the Axel Springer Group by our Company for those 34.183.593 shares, with a value of 50.000 EUR. Within the scope of the exercise of such "put option", 1.902.118 DTV bonus shares from the previous capital increase will also be delivered as bonus shares. Thus, within the scope of such option, the total number of shares to be delivered to Doğan Holding will be 36.085.711 (approximately 2.65% of the current DTV capital).

2- As we had made a public disclosure previously and as of September 30, 2014 via our financial statement footnotes (Note 17), it was declared that as per the Agreements between the parties, "in case an initial public offering was not made for the DTV shares of the Axel Springer Group ("Axel Shares") until June 30, 2017, in addition to re-adjusting the price, and a payment accordingly, the Axel Springer Group had a "put option" all or a part of the Axel Shares to Doğan Holding, and Doğan Holding had a "commitment to buy" (DTV Put Option II). At this time, in relation with this option, the longer term "put option" granted to the Axel Springer Group is shown in the appended table of material even disclosure sent to Public Disclosure Platform, and within this scope, the "commitment to buy" of Doğan Holding still continues. Axel Springer Group may use all or a part of the abovementioned "put option". The total amounts to be paid are final, and no interest shall accrue on these payables. Only, the interest to be calculated taking as the basis annual compound 12-month Euro Libor plus 100 basis points from 29.01.2016 to 30.06.2020 shall be added to the sum to be paid for the "DTV Put Option 2020/I". Within the scope of such options, four separate "letters of guarantee" have been given to the Axel Springer Group by our Company with a total value of EUR 225.996 for the 163.104.657 DTV securities to be taken by Doğan Holding.



**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS  
ORIGINALLY ISSUED IN TURKISH  
DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM  
PERIOD ENDED 30 SEPTEMBER 2014**

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

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**NOTE 36 – SUBSEQUENT EVENTS (Continued)**

In case all the options in Article 1 above and this article hereby, the Axel Springer Group will not have any shares left in the DTV capital.

3- The “DTV Put Option II” has been annulled and cancelled.

4- Issues related with the “initial public offering” of the “Axel Shares”;

a. In case of an initial public offering of the “Axel Shares” between the dates 01.01.2015 and 31.01.2022, the following shall be applicable for the value of the “Axel Shares” based on the three months average share price following the initial public offering (“Value of the Share Sold”),

i. if lower than the “Initial Sales Price”, the negative difference between the “Value of the Share Sold” and the “Initial Sales Price” shall be paid through Doğan Holding to the Axel Springer Group, without calculating any interest on the “Initial Sales Price”, and taking into account merely the “Initial Sales Price”.

ii. If higher than the “Initial Sales Price”, the amount to be found by deducting the interest calculated based on the “Initial Sales Price” from the positive difference between the “Value of the Share Sold” and the “Initial Sales Price” (interest shall be calculated taking as the basis annual compound 12-month Euro Libor plus 100 basis points as of January 2, 2007) shall equally be shared between the Axel Springer Group and Doğan Holding.

iii. In case an initial public offering does not take place for the “Axel Shares” until January 31, 2022, and in case the “Fair Value” of DTV to be determined with specified valuation techniques on 31.12.2021 (shall be taken into account based on the extent of the shares the Axel Springer Group has in the DTV capital as of 31.12.2021) is lower than the “Initial Sales Price”, the negative difference between the “Fair Value” of DTV as of 31.12.2021 and the “Initial Sales Price” shall be paid by Doğan Holding to the Axel Springer Group.

Within the scope of the TAS 32 “Financial Instruments: Public Disclosure and Presentation”, the above mentioned “commitment to buy” liability of Doğan Holding shall be registered in our financial report of 31.12.2014 as “financial liability” based on the discounted value in the balance sheet, and the relevant amounts shall also be presented in the “previous year’s profit/loss” and “non-controlling shares” accounts.

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**NOTE 36 – SUBSEQUENT EVENTS (Continued)**

**Advanced Dividend Payment of Doğan Gazetecilik for the year 2014**

Our subsidiary Doğan Gazetecilik A.Ş. distributed net cash dividend advance with amount of TL 7.873 corresponding to 6,37292% (exact) of its “Issued Capital” on 19.11.2014, and cash dividend advance with amount of TL 7.302 corresponding to share of participation of the Holding was collected on 19.11.2014

**Approval of Financial Statements**

Consolidated financial statements prepared for the period ended as of 30 September 2014 are approved by the Management as at 20 November 2014. The financial statements cannot be changed or modified by others other than the Management.

**NOTE 37 - DISCLOSURE OF OTHER MATTERS AFFECTING CONSOLIDATED  
FINANCIAL STATEMENTS SIGNIFICANTLY TO BE DISCLOSED**

None.