DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

CONVENIENCE TRANSLATION INTO ENGLISH OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY - 31 DECEMBER 2010 TOGETHER WITH INDEPENDENT AUDITOR'S REPORT

**CONVENIENCE TRANSLATION OF
INDEPENDENT AUDIT REPORT
INTO ENGLISH ORIGINALLY ISSUED IN TURKISH**

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Doğan Şirketler Grubu Holding A.Ş.

We have audited the accompanying consolidated balance sheet of Doğan Şirketler Grubu Holding A.Ş. (the "Company"), its subsidiaries and joint ventures (together the "Group") as at 31 December 2010 and the related consolidated statement of income, the consolidated statement of comprehensive income, the consolidated statement of changes in shareholders' equity and the consolidated statement of cash flows for the year ended 31 December 2010, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

The Group Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the financial reporting standards endorsed by Capital Markets Board of Turkey (CMB). This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards issued by the Capital Markets Board. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance on whether the financial statements are free from material misstatement.

An audit involves performing audit procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Basis for Qualified Opinion

As explained in Note 22, Hürriyet Gazetecilik ve Matbaacılık A.Ş., one of the subsidiaries of the Group, has recognized a financial liability arising from the put option on 3,84% shares of Trader Media East Limited owned by “non-controlling interests”, through a protocol signed during the current period by increasing other financial liabilities by TRY 38,6 million, currency translation differences by TRY 0,3 million and loss for the period by TRY 0,7 million, decreasing non-controlling interests by TRY 22,8 million and accumulated losses by TRY 15,4 million in the accompanying consolidated financial statements as of and for the year ended 31 December 2010. However, as explained in the said protocol, such put option liability of “non-controlling interests” amends the relevant provisions of the contract signed in 28 December 2006 which became effective as of 31 March 2007 as a consequence of the acquisition of Trader Media East Limited’s majority shares by the Group and which has not been accounted by the Group in the accompanying financial statements until the current period. Therefore, these contracts, which are recorded in the Group’s financial statements for the first time in the current period, should be recognized as a put option liability of “non-controlling interests” during acquisition of Trader Media East Limited’s shares by the Group in 2007, and the accompanying consolidated financial statements should be restated retrospectively.

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

Opinion

In our opinion, except for the effects of the matter described in the basis for qualified opinion section above, the accompanying consolidated financial statements give a true and fair view, in all material respects, of consolidated financial position of Doğan Şirketler Grubu Holding A.Ş., its subsidiaries and joint ventures as at 31 December 2010, and their financial performance and cash flows for the year then ended in accordance with the financial reporting standards endorsed by the Capital Markets Board.

Without qualifying our audit opinion we would like to draw attention to the following matter:

As explained in Note 22, the Group’s direct and indirect subsidiaries, Doğan TV Holding A.Ş., D Yapım ve Reklamcılık ve Dağıtım A.Ş, Doğan Prodüksiyon Hizmetleri A.Ş and Alp Görsel İletişim Hizmetleri A.Ş., have gone through tax assessments for the prior accounting periods. In the tax assessment reports, the Group was imposed to a total of TRY 3.980 million of tax assessments and tax fines. Following the tax assessment reports, the Group appealed for settlement negotiations in relation to the related tax assessments, fines and notifications; however; parties could not reach for a settlement and accordingly, the Group has filed lawsuits against the respective Tax Offices for the cancellation of the related tax assessments and fines, and notifications. As of the date of our independent audit report (Report), material part of the lawsuits filed in relation to the tax assessment reports prepared for the 2005, 2006, 2007 and 2008 periods have been ruled by the tax court of first instance. In this respect, lawsuits amounting to TRY 1.420 million are finalized in favor of the Group and lawsuits amounting to TRY 2.524 million are finalized against the Group. As of the report date, the Group has pending lawsuits amounting to TRY 36 million. As of the report date, the Council of State has ruled “stay of execution” for the lawsuit filed at the Court of First Instance amounting to TRY 2.524 million, which were finalized against the Group and overruled the decision of the Court of First Instance in regards to the lawsuits amounting to TRY 2.194 million. Out of TRY 1.420 million of the lawsuits filed and finalized in favor of the Group, the Council of State affirmed the TRY 1.088 million of the related portions. Related parties have the right to apply for an appeal for the infavorable outcome the lawsuits issued by the Council of State. Based on the opinions of legal advisors and tax experts, the Group Management has not provided any provisions in the consolidated financial statements prepared as of 31 December 2010 in relation to the lawsuits that were finalized against the Group upon the decision issued by the Court of First Instance but overruled or ruled “stay of execution” by the Council of State. In relation to the related lawsuits, other legal rights, including the options given in accordance with the Law No: 6111 “Restructuring of Specific Receivables and Social Insurance and General Health Insurance Law and Amendments to Some Laws and Requirements”, are being assessed by the Group Management. The outcome of the related tax assessment reports and litigation processes is still uncertain as of the report date.

As explained in detail in Note 34 and Note 41, Group disposed its 54,14% joint venture interest in Petrol Ofisi A.Ş. as at 22 December 2010.

Other matter

The consolidated financial statements of the Group as of 31 December 2009 were audited by another independent audit firm. The previous independent audit firm expressed an unqualified opinion in its audit report, dated 9 April 2010, on the consolidated financial statements as of 31 December 2009.

İstanbul, 2 April 2011

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

Saim Üstündağ
Partner

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD 1 JANUARY – 31 DECEMBER 2010

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CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

CONSOLIDATED BALANCE SHEETS AT 31 DECEMBER 2010 AND 2009

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

	Notes	USD (*) 2010	2010	2009
ASSETS				
Current assets		**3.086.772**	**4.772.149**	**4.295.457**
Cash and cash equivalents	6	2.240.968	3.464.537	2.055.639
Financial investments	7	128.171	198.152	215.899
Trade receivables				
- Due from related parties	37	7.224	11.168	13.415
- Other trade receivables	10	424.404	656.128	1.085.432
Other receivables	11	9.050	13.991	16.332
Inventories	13	139.831	216.179	637.148
Biological assets	14	16	25	40
Other current assets	26	137.108	211.969	271.552
Non-current assets		**2.109.429**	**3.261.178**	**5.249.370**
Trade receivables	10	57.521	88.928	68.343
Other receivables	11	1.375	2.126	2.546
Inventories	13	11.605	17.941	110.713
Financial investments	7	5.378	8.314	27.567
Investment properties	17	91.721	141.800	92.583
Property, plant and equipment	18	601.119	929.330	1.610.907
Intangible assets	19	555.844	859.335	1.311.453
Goodwill	20	579.983	896.653	1.715.569
Deferred income tax assets	35	62.737	96.991	71.248
Other non-current assets	26	142.146	219.760	238.441
TOTAL ASSETS		**5.196.201**	**8.033.327**	**9.544.827**

The consolidated financial statements as of and for the year ended 31 December 2010 have been approved by the Board of Directors at 2 April 2011.

(*) As explained in the Note 2.1.7 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 TRY, as a matter of arithmetic computation only, at the Central Bank of the Republic of Turkey official TRY 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 31 December 2010.

CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

CONSOLIDATED BALANCE SHEETS AT 31 DECEMBER 2010 AND 2009

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

	Notes	USD (*) 2010	2010	2009
LIABILITIES				
Current liabilities		**1.186.234**	**1.833.917**	**3.177.455**
Borrowings and financial liabilities	8	662.575	1.024.341	1.354.585
Other financial liabilities	9	43.047	66.550	19.735
Trade payables				
- Due to related parties	37	774	1.197	442
- Other trade payables	10	255.594	395.148	1.256.967
Other payables	11	52.096	80.540	258.964
Current income tax liabilities	35	49.458	76.462	10.699
Provisions	22	57.574	89.010	110.371
Other current liabilities	26	65.116	100.669	165.692
Non-current liabilities		**1.020.937**	**1.578.368**	**2.126.120**
Borrowings and financial liabilities	8	702.248	1.085.676	1.473.323
Other financial liabilities	9	154.394	238.693	742
Trade payables	10	721	1.114	316.844
Other payables	11	50.388	77.900	71.376
Provisions	22	-	-	1.406
Provisions for employment benefits	24	30.333	46.895	36.399
Deferred income tax liabilities	35	82.853	128.090	226.030
SHAREHOLDERS'EQUITY		**2.989.030**	**4.621.042**	**4.241.252**
Equity Attributable to Equity Holders Of the Company	**27**	**2.499.705**	**3.864.544**	**3.474.105**
Share capital	27	1.584.735	2.450.000	2.450.000
Adjustment to share capital	27	92.837	143.526	143.526
Share premium	27	408	630	630
Revaluation fund	27	9.003	13.918	126.398
Translation reserve	27	(2.548)	(3.939)	(7.063)
Restricted reserves assorted from profit	27	450.768	696.888	680.641
Retained earnings	27	(59.950)	(92.683)	194.086
Net income/(loss) for the period		424.452	656.204	(114.113)
Non-controlling interests		**489.325**	**756.498**	**767.147**
TOTAL LIABILITIES		**5.196.201**	**8.033.327**	**9.544.827**
Commitments	23			

(*) As explained in the Note 2.1.7 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 TRY, as a matter of arithmetic computation only, at the Central Bank of the Republic of Turkey official TRY 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 31 December 2010.

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

CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

CONSOLIDATED STATEMENTS OF INCOME FOR THE YEARS ENDED 31 DECEMBER 2010 AND 2009

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

	Notes	USD (**) 2010	2010	2009
Continued Operations				
Sales	28	1.843.772	2.850.471	2.685.833
Cost of sales (-)	28,30	(1.409.081)	(2.178.438)	(2.265.535)
Gross profit	28	**434.691**	**672.033**	**420.298**
Marketing, selling and distribution expenses (-)	29,30	(247.435)	(382.535)	(312.262)
General and administrative expenses (-)	29,30	(239.668)	(370.526)	(329.295)
Research and development expenses (-)	29,30	-	-	-
Other income	31	32.897	50.858	103.674
Other expenses (-)	31	(146.129)	(225.915)	(200.166)
Operating loss		**(165.644)**	**(256.085)**	**(317.751)**
Share of loss investments accounted for by the equity method	16	-	-	(2.205)
Financial income	32	200.234	309.561	395.216
Financial expenses (-)	33	(216.193)	(334.235)	(414.601)
Loss before taxation from continued operations		**(181.603)**	**(280.759)**	**(339.341)**
Tax expenses from continued operations	35	**(48.632)**	**(75.185)**	**(88.247)**
- Current income tax expense for the period		(72.208)	(111.634)	(50.444)
- Deferred tax income / (expenses)		23.576	36.449	(37.803)
Loss from continued operations		**(230.235)**	**(355.944)**	**(427.588)**
Discontinued operations				
Profit after tax from discontinued operations(*)	34	**622.686**	**962.673**	**111.272**
Net profit / (loss) for the period		**392.451**	**606.729**	**(316.316)**
Distribution of profit / (loss) for the period				
Attributable to non-controlling interests		(32.002)	(49.475)	(202.203)
Attributable to equity holders of the company		424.453	656.204	(114.113)
Earnings /(loss) per share for profit attributable to equity holders of the company	36	0,17	0,27	(0,05)
Total loss from continuing operations for profit attributable to equity holders of the company per share		(0,08)	(0,13)	(0,09)

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

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED 31 DECEMBER 2010 AND 2009
(Amounts expressed in thousands of Turkish lira ("TRY") unless otherwise indicated. Currencies other than TRY are expressed in thousands unless otherwise indicated.)

	USD (**) 2010	2010	2009
Profit / (Loss) for the Period	**392.451**	**606.729**	**(316.316)**
<u>Other Comprehensive Income / (Expense):</u>			
Change in Financial Assets Fair Value Reserve	946	1.462	12.456
Change in Translation Reserves	(1.039)	(1.606)	(17.420)
Other Comprehensive Expense (After Income Tax)	**(93)**	**(144)**	**(4.964)**
Total Comprehensive Income / (Expense)	**392.358**	**606.585**	**(321.280)**
Allocation of Total Comprehensive Income / (Expense)			
Attributable to non-controlling interests	(30.023)	(46.416)	(208.753)
Attributable to Equity Holders of the Company	422.381	653.001	(112.527)

(*) The related income consists of the sale of shares in the capital of Petrol Ofisi A.Ş., one of the Doğan Şirketler Grubu Holding A.Ş.'s jointly controlled entity, comprising of 312.665.847,814 units of shares in total with the nominal value of TRY 312.665.847,814 (full) including 116.315.847,814 units of Class A bearer shares with the nominal value of TRY 1 (full) per share and 196.350.000 units of Class A registered shares with the nominal value of TRY 1 (full) per share, which totally corresponds to 54,14% of the paid-in capital of Petrol Ofisi A.Ş. to OMV Enerji Holding A.Ş. on 22 December 2010 in consideration of full and cash payment of Euro 499.700.000 (full) and USD 694.583.000 (full) of the nominal value of shares amounting to TRY 312.665.847,814 (full). TRY 690.349.152,69 (full) of the related "gain on disposal of shares in subsidiaries" which is exempt from Corporate Tax recognized in the statutory/individual records prepared in accordance with the provisions of Turkish Commercial Code ("TCC") and Tax Procedure Law ("TPL") will be retained by Doğan Şirketler Grubu Holding A.Ş. in a special fund under equity within five years in accordance with the requirements set out in Corporate Tax Law (Under the "CMB" Financial Reporting Standards, the related amount corresponds to TL 782.702.250 (full)) and will not be subject to profit distribution.

(**) As explained in the Note 2.1.7 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 TRY, as a matter of arithmetic computation only, at the Central Bank of the Republic of Turkey official TRY 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 31 December 2010.

CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE YEARS ENDED 31 DECEMBER 2010 AND 2009

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

	Note	**Share capital**	**Adjustment to share capital**	**Share premium**	**Financial assets fair value reserve**	**Non-current assets revolution fund**	**Translation reserve**	**Restricted reserves**	**Retained earnings**	**Net profit/ (loss)for the period**	**Equity attributable to equity holders of the company**	**Non-controlling interest**	**Total shareholder's equity**
Balances at 1 January 2009	**27**	**2.450.000**	**143.526**	**630**	**-**	**146.218**	**3.807**	**658.952**	**360.354**	**68.145**	**3.831.632**	**852.322**	**4.683.954**
Transfers		-	-	-	-	(32.276)	-	21.689	78.732	(68.145)	-	-	-
Capital increase		-	-	-	-	-	-	-	-	-	-	72.396	72.396
Business combinations and consolidation rate change effect		-	-	-	-	-	-	-	-	-	-	55.932	55.932
Dividend payment		-	-	-	-	-	-	-	(245.000)	-	(245.000)	(4.750)	(249.750)
Total comprehensive loss		-	-	-	12.456	-	(10.870)	-	-	(114.113)	(112.527)	(208.753)	(321.280)
- Change in financial asset fair value reserve, (net)		-	-	-	*12.456*	-	-	-	-	-	*12.456*	-	*12.456*
- Currency translation differences		-	-	-	-	-	*(10.870)*	-	-	-	*(10.870)*	*(6.550)*	*(17.420)*
- Net loss for the period		-	-	-	-	-	-	-	-	*(114.113)*	*(114.113)*	*(202.203)*	*(316.316)*
Balances at 31 December 2009	**27**	**2.450.000**	**143.526**	**630**	**12.456**	**113.942**	**(7. 063)**	**680.641**	**194.086**	**(114.113)**	**3.474.105**	**767.147**	**4.241.252**
Balances at 1 January 2010	**27**	**2.450.000**	**143.526**	**630**	**12.456**	**113.942**	**(7.063)**	**680.641**	**194.086**	**(114.113)**	**3.474.105**	**767.147**	**4.241.252**
Transfers		-	-	-	-	(26.460)	-	16.247	(103.900)	114.113	-	-	-
Participation to subsidiary's capital increase of non-controlling interest		-	-	-	-	-	-	-	-	-	-	51.969	51.969
Divident payment		-	-	-	-	-	-	-	-	-	-	(16.038)	(16.038)
Business combinations and consolidation rate change effect		-	-	-	-	-	-	-	-	-	-	(442)	(442)
Share trasfer of joint venture	41	-	-	-	-	(87.482)	7.789	-	79.693	-	-	(11.115)	(11.115)
Financial liabilities subject to put option of non-controlling interest		-	-	-	-	-	-	-	(207.671)	-	(207.671)	(43.777)	(251.448)
Effective rate change of subsidiaries	2.2.34	-	-	-	-	-	-	-	(54.891)	-	(54.891)	54.891	-
Other (*)		-	-	-	-	-	-	-	-	-	-	279	279
Total comprehensive income/(loss)		-	-	-	1.462	-	(4.665)	-	-	656.204	653.001	(46.416)	606.585
- Change in financial asset fair value reserve (net)		-	-	-	*1.462*	-	-	-	-	-	*1.462*	-	*1.462*
- Currency translation differences		-	-	-	-	-	*(4.665)*	-	-	-	*(4.665)*	*3.059*	*(1.606)*
- Net profit / (loss) for the period		-	-	-	-	-	-	-	-	*656.204*	*656.204*	*(49.475)*	*606.729*
Balances at 31 December 2010	**27**	**2.450.000**	**143.526**	**630**	**13.918**	**-**	**(3.939)**	**696.888**	**(92.683)**	**656.204**	**3.864.544**	**756.498**	**4.621.042**

(*) Represents fair value changes in trading options related to non- controlling interest, and share purchase and sale related to non-controlling interest.

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

CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED 31 DECEMBER 2010 AND 2009

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

	Notes	USD (*) 2010	2010	2009
Operating activities:				
Cash provided in operations	42	106.406	164.504	252.430
Taxes paid		(68.194)	(105.428)	(162.283)
Employment termination benefit paid	24	(7.629)	(11.794)	(10.940)
Net cash provided by/(used in) operating activities		**30.583**	**47.282**	**79.207**
Investing activities:				
Purchase of investment property	17	(11.010)	(17.022)	(36.907)
Purchase of property, plant and equipment	18	(352.165)	(544.447)	(312.105)
Purchase of intangible assets	19	(45.821)	(70.840)	(210.603)
Proceeds from sale of investment property, property,plant and equipment, intangible assets		73.422	113.510	65.990
Cash out flow for acquisition of subsidiaries		-	-	(22.400)
Proceeds from disposal of joint ventures		1.214.706	1.877.935	-
Proceeds from disposal of investment valued by equity method		-	-	29.666
Change in other non-current assets and long-term liabilities		(39.234)	(60.655)	(65.974)
Net cash provided / (used) in investing activities		**839.898**	**1.298.481**	**(552.333)**
Financing activities:				
Proceeds of issuance of share capital to non-controlling interests		33.615	51.969	72.396
Dividends paid to non-controlling interests		(10.374)	(16.038)	(4.750)
Change in borrowings, net		7.717	11.931	(490.672)
Letter of credits paid in trade payables		-	-	(65.622)
Interest paid		(50.836)	(78.593)	(271.787)
Interest received		55.237	85.396	130.571
Proceeds from securities issued		15.320	23.685	-
Dividends paid		-	-	(245.000)
Net cash provided / (used) in financing activities		**50.679**	**78.350**	**(874.864)**
Net increase / (decrease) in cash and cash equivalents		**921.160**	**1.424.113**	**(1.347.990)**
Cash and cash equivalents at the beginning of the period	6	1.316.116	2.034.716	3.382.706
Cash and cash equivalents at the end of the period	**6**	**2.237.276**	**3.458.829**	**2.034.716**

(*)As explained in the Note 2.1.7 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 CMB as at 31 December 2010.

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

NOTE 1 - ORGANIZATION AND NATURE OF OPERATIONS

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

Doğan Holding is registered with the Capital Markets Board ("CMB") and its shares have been quoted on the Istanbul Stock Exchange ("ISE") since 21 June 1993.. As of 31 December 2010 and 31 December 2009, %34,29 shares of Doğan Holding are offered to the public. Within the frame of Resolution No.21/655 dated 23 July 2010 of CMB; according to the records of Central Registry Agency, the %32,12 shares of Doğan Holding are to be considered in circulation.

The address of the registered office is as follows:

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

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

- Media
- Energy
- Other

The share transfer process of Petrol Ofisi A.Ş ("Petrol Ofisi" or "POAŞ") and its subsidiaries, which form the energy segment, is completed on 22 December 2010 and in the consolidated financial statements of 31 December 2010, the energy segment is not reported as a separate segment (Note 41). Operating results which are presented at 31 December 2009 consolidated balance sheet in energy operating results are reclassified as "discontinued operations" this year (Note 2.2.34 and Note 34).

Other operations mainly comprise of trade, tourism, telecommunications, manufacturing and construction. These companies are not considered as seperate reportable segments since the effects of the operating results are below materiality when compared with consolidated results.

NOTE 1 - ORGANIZATION AND NATURE OF OPERATIONS (Continued)

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

Subsidiaries	Country	Nature of business	Segment
Hürriyet Gazetecilik ve Matbaacılık A.Ş. ("Hürriyet")	Turkey	Newspaper publishing	Media
Hürriyet Medya Basım Hizmetleri ve Ticaret A.Ş. ("Hürriyet Medya Basım")	Turkey	Printing and administrative services	Media
Doğan Yayın Holding A.Ş. ("Doğan Yayın Holding veya DYH")	Turkey	Holding	Media
Doğan Ofset Yayıncılık ve Matbaacılık A.Ş. ("Doğan Ofset")	Turkey	Printing services	Media
DYG İlan ve Reklam Hizmetleri A.Ş. ("DYG İlan")	Turkey	Advertising	Media
Milliyet Haber Ajansı A.Ş. ("Milha")	Turkey	News agency	Media
Doğan Gazetecilik A.Ş. ("Doğan Gazetecilik")	Turkey	Newspaper publishing	Media
Doğan Dağıtım Satış Pazarlama Matbaacılık Ödeme Aracılık ve Tahsilat Sistemleri A.Ş. ("Doğan Dağıtım") (1)	Turkey	Distribution	Media
Doğan Dış Ticaret ve Mümessillik A.Ş. ("Doğan Dış Ticaret")	Turkey	Import and export	Media
Işıl İthalat İhracat Mümessillik A.Ş. ("Işıl İthalat İhracat")	Turkey	Import and export	Media
Refeks Dağıtım ve Kurye Hizmetleri A.Ş. ("Refeks")	Turkey	Distribution ve courier services	Media
Doğan Haber Ajansı A.Ş. ("Doğan Haber")	Turkey	News agency	Media
E Tüketici İnternet ve Danışmanlık Hizmetleri Elektronik Yayıncılık A.Ş. ("E Tüketici")	Turkey	Internet services	Media
Milliyet Internet hizmetleri ve Ticaret A.Ş. ("Milliyet İnternet")	Turkey	Internet services	Media
Yenibiriş İnsan Kaynakları Hizmetleri Danışmanlık ve Yayıncılık A.Ş. ("Yenibir")	Turkey	Internet services	Media
Bağımsız Gazeteciler Yayıncılık A.Ş. ("Bağımsız Gazeteciler")	Turkey	Newspaper publishing	Media
Kemer Yayıncılık ve Gazetecilik A.Ş. ("Kemer Yayıncılık Pazarlama")	Turkey	Newspaper publishing	Media
Kemer Yayıncılık Pazarlama, Sanayi ve Ticaret A.Ş. ("Kemer Pazarlama")	Turkey	Internet services	Media
TME Teknoloji Proje Geliştirme ve Yazılım A.Ş. ("TME Teknoloji")	Turkey	Software services	Media
Hürriyet Zweigniederlassung GmbH ("Hürriyet Zweigniederlassung")	Germany	Newspaper printing	Media
Milliyet Verlags und Handels GmbH ("Milliyet Verlags")	Germany	Newspaper publishing	Media
Doğan Media International GmbH ("DMI")	Germany	Newspaper publishing	Media
Hürriyet Invest B.V. ("Hürriyet Invest")	The Netherlands	Investment	Media
Fairworld International Limited ("Fairworld")	England	Foreign Trade	Media
Falcon Purchasing Services Ltd. ("Falcon")	England	Foreign Trade	Media
Marchant Resources Ltd. ("Marchant")	British Virgin Islands	Foreign Trade	Media
Trader Media East Ltd. ("TME")	Jersey	Investment	Media
Oglasnik d.o.o.	Crotia	Newspaper and internet publishing	Media
TCM Adria d.o.o.	Crotia	Investment	Media
Internet Posao d.o.o.	Crotia	Internet publishing	Media
Expressz Magyarorszag Media Zrt	Hungary	Newspaper and internet publishing	Media
Mirabridge International B.V.	The Netherlands	Investment	Media
Pronto Invest B.V.	The Netherlands	Investment	Media
Trader East Holdings B.V.	The Netherlands	Investment	Media
Moje Delo spletni marketing, d.o.o	Slovenia	Internet publishing	Media
Bolji Posao d.o.o. Serbia	Serbia	Internet publishing	Media
Bolji Posao d.o.o. Bosnia	Bosnia Herzegovania	Internet publishing	Media
OOO RUKOM	Russia	Internet publishing	Media
OOO Pronto Aktobe	Kazakhistan	Newspaper and internet publishing	Media
OOO Pronto Kurgan	Russia	Newspaper and internet publishing	Media
OOO Novoprint	Russia	Newspaper and internet publishing	Meda
OOO Balt-Pronto Kaliningrad	Russia	Newspaper and internet publishing	Media
OOO Delta-M	Russia	Newspaper and internet publishing	Media
OOO Pronto Baikal	Russia	Newspaper and internet publishing	Media
OOO Pronto DV	Russia	Newspaper and internet publishing	Media
OOO Pronto Ivanovo	Russia	Newspaper and internet publishing	Media
OOO Pronto Kaliningrad	Russia	Newspaper and internet publishing	Media
OOO Pronto Kazan	Russia	Newspaper and internet publishing	Media

NOTE 1 - ORGANIZATION AND NATURE OF OPERATIONS (Continued)

Subsidiaries	**Country**	**Nature of business**	**Segment**
OOO Pronto Krasnodar	Russia	Newspaper and internet publishing	Media
OOO Pronto Krasnoyarsk	Russia	Newspaper and internet publishing	Media
OOO Pronto Nizhnij Novgorod	Russia	Newspaper and internet publishing	Media
OOO Pronto Novosibirsk	Russia	Newspaper and internet publishing	Media
OOO Pronto Oka	Russia	Newspaper and internet publishing	Media
OOO Pronto St. Petersburg	Russia	Newspaper and internet publishing	Media
OOO Pronto Samara	Russia	Newspaper and internet publishing	Media
OOO Pronto Stavropol	Russia	Newspaper and internet publishing	Media
OOO Pronto UlanUde	Russia	Newspaper and internet publishing	Media
OOO Pronto Vladivostok	Russia	Newspaper and internet publishing	Media
OOO Pronto Volgograd	Russia	Newspaper and internet publishing	Media
OOO Pronto Moscow	Russia	Newspaper and internet publishing	Media
OOO Pronto Neva	Russia	Newspaper and internet publishing	Media
OOO Tambukan	Russia	Newspaper and internet publishing	Media
OOO Utro Peterburga	Russia	Newspaper and internet publishing	Media
OOO Pronto Astrakhan	Russia	Newspaper and internet publishing	Media
OOO Pronto Kemerovo	Russia	Newspaper and internet publishing	Media
OOO Pronto Smolensk	Russia	Newspaper and internet publishing	Media
OOO Pronto Tula	Russia	Newspaper and internet publishing	Media
OOO Pronto Voronezh	Russia	Newspaper and internet publishing	Media
OOO Tambov-Info	Russia	Newspaper and internet publishing	Media
OOO Pronto Obninsk	Russia	Newspaper and internet publishing	Media
OOO Pronto Komi	Russia	Newspaper and internet publishing	Media
OOO Belpronto	Belarus	Newspaper and internet publishing	Media
OOO Pronto Rostov	Russia	Newspaper and internet publishing	Media
ZAO Pronto Akzhol	Kazakhistan	Newspaper and internet publishing	Media
OOO Pronto-Akmola	Kazakhistan	Newspaper and internet publishing	Media
OOO Pronto Atyrau	Kazakhistan	Newspaper and internet publishing	Media
OOO Pronto Aktau	Kazakhistan	Newspaper and internet publishing	Media
SP Pronto Kiev	Ukraina	Newspaper and internet publishing	Media
OOO Rosprint	Russia	Publishing services	Media
OOO Rosprint Samara	Russia	Publishing services	Media
OOO Partner-Soft	Russia	Internet publishing	Media
Pronto Soft	Belarus	Internet publishing	Media
TOV E-Prostir	Ukraina	Internet publishing	Media
Impress Media Marketing LLC	Russia	Publishing	Media
OOO Pronto TV	Russia	TV broadcasting	Media
OOO Rektcentr	Russia	Investment	Media
ZAO NPK	Russia	Call center	Media
Publishing House Pennsylvania Inc.	USA	Investment	Media
Pronto Ust Kamenogorsk	Kazakhistan	Newspaper publishing	Media
Tipeez Internet Hizmetleri A.Ş.	Turkey	Internet publishing	Media
Nartek Bilişim Pazarlama Hizm. Tic. A.Ş. ("Nartek")	Turkey	Internet publishing	Media
Doğan TV Holding A.Ş. ("Doğan TV")	Turkey	TV publishing	Media
DTV Haber ve Görsel Yayıncılık A.Ş. ("Kanal D")	Turkey	TV publishing	Media
Işıl Televizyon Yayıncılık A.Ş. ("Işıl TV" veya "Star TV")	Turkey	TV publishing	Media
Mozaik İletişim Hizmetleri A.Ş. ("Mozaik" veya "D-smart")	Turkey	TV publishing	Media
Lapis Televizyon ve Radyo YayıncılıkA.Ş. ("Lapis Televizyon" veya "CNN Türk")	Turkey	TV publishing	Media
Doğan TV Digital Platform İşletmeciliği A.Ş. ("Doğan TV Dijital")	Turkey	TV publishing	Media
Alp Görsel İletişim Hizmetleri A.Ş. ("Alp Görsel")	Turkey	TV publishing	Media
Fun Televizyon Yayıncılık 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

NOTE 1 - ORGANIZATION AND NATURE OF OPERATIONS (Continued)

Subsidiaries	**Country**	**Nature of business**	**Segment**
Moda Radyo ve Televizyon Yayıncılık Ticaret A.Ş. ("Moda Radyo")	Turkey	Radio broadcasting	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
Elit Televizyon ve Radyo Yayıncılık A.Ş. ("Elit TV")	Turkey	TV publishing	Media
Trend Televizyon ve Radyo Yayıncılık A.Ş. ("Trend TV" veya "D Çocuk")	Turkey	TV publishing	Media
Ekinoks Televizyon ve Radyo Yayıncılık A.Ş. ("Ekinoks TV")	Turkey	TV publishing	Media
Dönence Televizyon ve Radyo Yayıncılık A.Ş. ("Dönence TV")	Turkey	TV publishing	Media
Fleks Televizyon ve Radyo Yayıncılık A.Ş. ("Fleks TV")	Turkey	TV publishing	Media
Meridyen Televizyon ve Radyo Yayıncılık A.Ş. ("Meridyen TV")	Turkey	TV publishing	Media
Planet Televizyon ve Radyo Yayıncılık A.Ş. ("Planet TV")	Turkey	TV publishing	Media
Deniz Televizyon ve Radyo Yayıncılık A.Ş. ("Deniz TV" veya "HD TV")	Turkey	TV publishing	Media
Doğan Prodüksiyon Hizmetleri A.Ş. ("Doğan Prodüksiyon")	Turkey	TV publishing	Media
Kutup Televizyon ve Radyo Yayıncılık A.Ş. ("Kutup TV")	Turkey	TV publishing	Media
Galaksi Radyo Televizyon Yayıncılık Yapımcılık Sanayi ve Ticaret A.Ş. ("Galaksi TV")	Turkey	TV publishing	Media
Opal İletişim Hizmetleri A.Ş. ("Opal İletişim")	Turkey	TV publishing	Media
Koloni Televizyon ve Radyo Yayıncılık A.Ş. ("Koloni TV")	Turkey	TV publishing	Media
Atılgan Televizyon ve Radyo Yayıncılık A.Ş. ("Atılgan TV")	Turkey	TV publishing	Media
Atmosfer Televizyon ve Radyo Yayıncılık A.Ş. ("Atmosfer TV")	Turkey	TV publishing	Media
Gümüş Televizyon ve Radyo Yayıncılık A.Ş. ("Gümüş TV")	Turkey	TV publishing	Media
Platin Televizyon ve Radyo Yayıncılık A.Ş. ("Platin TV")	Turkey	TV publishing	Media
Yörünge Televizyon ve Radyo Yayıncılık A.Ş. ("Yörünge TV")	Turkey	TV publishing	Media
Safir Televizyon ve Radyo Yayıncılık A.Ş. ("Safir Televizyon")	Turkey	TV publishing	Media
Tematik Televizyon ve Radyo Yayıncılık A.Ş. ("Tematik TV")	Turkey	TV publishing	Media
Akustik Televizyon ve Radyo Yayıncılık A.Ş. ("Akustik TV")	Turkey	TV publishing	Media
Ametist Televizyon ve Radyo Yayıncılık A.Ş. ("Ametist TV")	Turkey	TV publishing	Media
Süper Kanal Uydu TV Video Radyo Basın Yapım Yayın Tanıtım ve Haber Hizmetleri A.Ş. ("Süperkanal")	Turkey	TV publishing	Media
Uydu İletişim Basın Yayın A.Ş. ("Uydu")	Turkey	TV publishing	Media
Mobil Teknolojileri Araştırma Geliştirme A.Ş. ("Mobil")	Turkey	Interactive services	Media
Matis Reklam ve Pazarlama A.Ş ("Matis TV")	Turkey	TV publishing	Media
Yonca Pazarlama ve Dağıtım A.Ş. ("Yonca TV")	Turkey	TV publishing	Media
İnci Televizyon ve Radio Yayıncılık A.Ş. ("İnci TV")	Turkey	TV publishing	Media
Kuvars Televizyon ve Radio Yayıncılık A.Ş. ("Kuvars TV")	Turkey	TV publishing	Media
Lal Televizyon ve Radio Yayıncılık A.Ş. ("Lal TV")	Turkey	TV publishing	Media
Truva Televizyon ve Radio Yayıncılık A.Ş. ("Truva TV")	Turkey	TV publishing	Media
Kayra Televizyon ve Radio Yayıncılık A.Ş. ("Kayra TV")	Turkey	TV publishing	Media
Milas Televizyon ve Radio Yayıncılık A.Ş. ("Milas TV")	Turkey	TV publishing	Media
Anemon İletişim Hizmetleri A.Ş. ("Anemon")	Turkey	TV publishing	Media
Yosun İletişim Hizmetleri A.Ş. ("Yosun")	Turkey	TV publishing	Media
Denizatı İletişim Hizmetleri A.Ş ("Denizatı")	Turkey	TV publishing	Media
Protema Yapım Reklamcılık ve Dağıtım A.Ş ("Protema Yapım")	Turkey	TV publishing	Media
Doğan Teleshopping Pazarlama ve Ticaret A.Ş. ("Doğan Teleshopping" veya "Her Eve Lazım")	Turkey	TV publishing	Media
Radyo Kulübü Uluslararası Programlar A.Ş. ("D Radyo")	Turkey	Radio broadcasting	Media
Rapsodi Radyo ve Televizyon Yayıncılık A.Ş. ("RapsodiRadyo")	Turkey	Radio broadcasting	Media
Foreks Yayıncılık ve Reklamcılık A.Ş. ("CNN Türk Radyo")	Turkey	Radio broadcasting	Media
Doğan Müzik Yapım ve Ticaret A.Ş. ("DMC")	Turkey	Music ve entertainment	Media
İnteraktif Medya Hizmetleri Geliştirme Paz. ve Tic. A.Ş. ("İnteraktif Medya")	Turkey	Interactive services	Media
Ekin Radyo ve Televizyon Yayıncılığı A.Ş. ("Ekin Radyo")	Turkey	Radio broadcasting	Media
Primeturk GmbH ("Prime Turk")	Germany	Marketing	Media
Osmose Media S.A ("Osmose Media")	Luxembourg	Marketing	Media
Doğan Media International S.A. ("Kanal D Romanya")	Romania	TV publishing	Media
Doğan Müzik Kitap Mağazacılık Pazarlama A.Ş. ("DMK")	Turkey	Retail	Media
Hür Servis Sosyal Hizmetler ve Ticaret A.Ş. ("Hürservis")	Turkey	Retail	Media

NOTE 1 - ORGANIZATION AND NATURE OF OPERATIONS (Continued)

Subsidiaries	**Country**	**Nature of business**	**Segment**
Turner Doğan Prodüksiyon ve Satış A.Ş. ("Turner Doğan")	Turkey	Radio broadcasting	Media
Birpa Müşteri Hizmetleri ve Pazarlama A.Ş. ("Birpa")	Turkey	Customer services	Other
Doğan İletişim Elektronik Servis Hizmetleri ve Yayıncılık A.Ş. ("Doğan İletişim")	Turkey	İnternet service provider	Other
Doğan Factoring Hizmetleri A.Ş. ("Doğan Factoring")	Turkey	Factoring	Other
Doğan Platform Yatırımları A.Ş. ("Doğan Platform")	Turkey	Investment	Other
Milpa Ticari ve Sınai Ürünler Pazarlama Sanayi ve Ticaret A.Ş. ("Milpa")	Turkey	Trade	Other
Hürriyet Ticari ve Sınai Ürünler Pazarlama Sanayi ve Ticaret A.Ş. ("Hürriyet Pazarlama")	Turkey	Marketing	Other
Milanur İnşaat Pazarlama Turizm Sanayi ve Ticaret Limited Şirketi ("Milanur")	Turkey	Construction	Other
Doğan Otomobilcilik Ticaret ve Sanayi A.Ş. ("Doğan Oto")	Turkey	Trade	Other
Enteralle Handels GmbH ("Enteralle Handels")	Germany	Trade	Other
Orta Anadolu Otomotiv Ticaret ve Sanayi A.Ş. ("Orta Anadolu Otomotiv")	Turkey	Trade	Other
Doğan Havacılık Sanayi ve Ticaret A.Ş. ("Doğan Havacılık")	Turkey	Aviation	Other
Çelik Halat ve Tel Sanayi A.Ş. ("Çelik Halat")	Turkey	Production	Other
Ditaş Doğan Yedek Parça İmalat ve Teknik A.Ş. ("Ditaş Doğan")	Turkey	Production	Other
Milta Turizm İşletmeleri A.Ş. ("Milta Turizm")	Turkey	Turizm	Other
Doğan Organik Ürünler Sanayi ve Ticaret A.Ş. ("Doğan Organik")	Turkey	Agriculture	Other
Zigana Elektrik Dağıtım Sanayi ve Ticaret A.Ş. ("Zigana")	Turkey	Energy	Other
Çelik Enerji Üretim A.Ş. ("Çelik Enerji")	Turkey	Energy	Other
Doğan Enerji Yatırımları Sanayi ve Ticaret A.Ş. ("Doğan Enerji")	Turkey	Energy	Other
SC D-Yapı Real Estate, Investment and Construction S.A. ("D Yapı Romania")	Romania	Real Estate	Other
TOV D-Yapı Real Estate Investment and Construction ("TOV D-Yapı")	Ukraina	Real Estate	Other
D Stroy Limited Şirketi ("D Stroy")	Russia	Real Estate	Other
SC Doğan Hospitals Investments and Management SRL ("SC Doğan Hospitals")	Romania	Real Estate	Other
DHI Investment B.V. ("DHI Investment")	The Netherlands	Investment	Other

For the purposes of the segmental information in consolidated financial statements, Doğan Holding's separate financial statements have been included in the "other" segment (Note 5).

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

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

2.1 Basis of presentation

2.1.1 Financial Reporting Standards

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

With the decision taken on 17 March 2005, the CMB has announced that, effective from 1 January 2005, for companies operating in Turkey and preparing their financial statements in accordance with CMB Financial Reporting Standards, the application of inflation accounting is no longer required. Accordingly, the Group did not apply IAS 29 "Financial Reporting in Hyperinflationary Economies" issued by IASB in its financial statements for the accounting periods starting from1 January 2005.

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

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 TRY in accordance with the Turkish Commercial Code (the "TCC"), tax legislation and the Uniform Chart of Accounts issued by the Ministry of Finance. The foreign subsidiaries prepare their statutory financial statements in accordance with the laws and regulations in force in the countries in which they are registered.

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

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

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

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

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

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

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

2.1.3 Consolidation principles

These consolidated financial statements in accordance with the principals stated below from (a) to (e) include the accounts of the parent company, Doğan Holding, its Subsidiaries and its Joint Ventures. (Altogether is referred as "Group"). During the preparation of financial statements of the companies included in the consolidation, the necessary adjustments and classifications to the bookings made according to the historical cost principal are made in accordance with the financial statement preparation principals stated in Note 2.1.1 and the accounting policies and presentation model implied by the Group.

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

(a) These consolidated financial statements include the accounts of the parent company, Doğan Holding, its subsidiaries and its joint ventures (Altogether is referred as "Group"). The financial statements of the companies included in the consolidation are based on the accounting principles and presentation basis applied by the Group in accordance with CMB Financial Reporting Standards. The result of operations of subsidiaries and joint ventures are included or excluded in these consolidated financial statements subsequent to the date of acquisition or date of sale respectively. Where necessary, accounting policies for subsidiaries and joint ventures have been changed to ensure consistency with the policies adopted by the Group.

(b) Subsidiaries are companies in which Doğan Holding has the power to control the financial and operating policies for the benefit of Doğan Holding either (1) through the power to exercise more than 50% of voting rights related to shares in the companies as a result of shares owned directly and indirectly by itself and/or by certain Doğan family members and companies whereby Doğan Holding exercises control over the voting rights of (but does not have the economic benefit of) the shares held by them; or (2) although not having the power to exercise more than 50% of the voting rights, through the exercise of actual dominant influence over the financial and operating policies. Proportion of ownership interest represents the effective shareholding of the Group through the shares held directly by Doğan Holding and indirectly by its Subsidiaries.

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

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

2.1.3 Consolidation principles (Continued)

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

	Proportion of voting power heldby Doğan Holding and its subsidiaries(%)		Proportion of voting power held by Doğan family members(%)		Total proportion voting power held (%)		Total proportion of effective ownership interest(%)	
Subsidiaries	**2010**	**2009**	**2010**	**2009**	**2010**	**2009**	**2010**	**2009**
Hürriyet	77,65	77,65	-	-	77,65	77,65	60,70	60,70
Doğan Daily News (1)	-	94,25	-	-	-	94,25	-	57,20
Doğan Gazetecilik (2)	70,76	70,76	0,52	0,52	71,28	71,28	52,74	52,74
Bağımsız Gazeteciler	100,00	100,00	-	-	100,00	100,00	52,74	52,74
Kemer Yayıncılık	99,98	99,98	-	-	99,98	99,98	52,73	52,73
Milliyet Verlags (3)	99,88	99,77	0,12	0,23	100,00	100,00	73,66	73,57
DMI	100,00	100,00	-	-	100,00	100,00	68,66	68,66
Hürriyet Medya Basım	100,00	100,00-	-	100,00	100,00	60,69	60,69	60,69
Oglasnik Nekretnine d.o.o. (4)	-	100,00	-	-	-	100,00	-	40,85
Doğan Ofset	99,93	99,93	-	-	99,93	99,93	60,65	60,65
DYG İlan (5)	-	100,00	-	-	-	100,00	-	60,86
Mozaik	100,00	100,00	-	-	100,00	100,00	59,41	55,54
Milha	100,00	100,00	-	-	100,00	100,00	59,03	61,39
Doğan Haber	99,85	99,69	-	-	99,85	99,69	66,92	66,69
Yaysat (6)	-	100,00	-	-	-	100,00	-	71,07
Doğan Dağıtım (6)	100,00	100,00	-	-	100,00	100,00	74,41	74,53
Doğan Dış Ticaret	100,00	100,00	-	-	100,00	100,00	74,29	74,29
Işıl İthalat İhracat	96,70	96,70	-	-	96,70	96,70	71,84	71,84
Refeks	100,00	100,00	-	-	100,00	100,00	60,69	60,70
E Tüketici	99,80	99,80	0,10	0,10	99,90	99,90	60,56	60,53
Milliyet İnternet	100,00	100,00	-	-	100,00	100,00	53,00	52,76
Yenibir	100,00	100,00	-	-	100,00	100,00	60,70	60,70
Kemer Pazarlama	99,96	99,96	-	-	99,96	99,96	52,72	52,72
TME Teknoloji	100,00	100,00	-	-	100,00	100,00	60,69	60,69
Hürriyet Zweigniederlassung	100,00	100,00	-	-	100,00	100,00	60,70	60,70
Hürriyet Invest	100,00	100,00	-	-	100,00	100,00	60,70	60,70
TME (7)	67,30	67,30	-	-	67,30	67,30	43,18	40,85
International Ssuarts Holding B.V. (1)	-	100,00	-	-	-	100,00	-	40,85
Mirabridge International B.V.	100,00	100,00	-	-	100,00	100,00	43,18	40,85
Trader Classified Media Croatia Holdings B.V. (8)	-	100,00	-	-	-	100,00	-	40,85
Trader East Holdings B.V.(9)	-	100,00	-	-	-	100,00	-	40,85
Pronto Invest B.V.	100,00	100,00	-	-	100,00	100,00	43,18	40,85
TCM Adria d.o.o.	100,00	100,00	-	-	100,00	100,00	43,18	40,85
OOO Rektcentr	100,00	100,00	-	-	100,00	100,00	43,18	40,85
Pennsylvania Publishing House Inc.	100,00	100,00	-	-	100,00	100,00	43,18	40,85
Doğan Platform	100,00	100,00	-	-	100,00	100,00	74,53	74,53
Doğan Yayın Holding	74,53	74,53	2,48	2,97	77,01	77,50	74,53	74,53
Fairworld	100,00	100,00	-	-	100,00	100,00	74,29	74,29
Falcon	100,00	100,00	-	-	100,00	100,00	74,29	74,29
Marchant	100,00	100,00	-	-	100,00	100,00	71,84	71,84
Oglasnik d.o.o. (4)	100,00	100,00	-	-	100,00	100,00	43,18	40,85

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

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

2.1.3 Consolidation principles (Continued)

	Proportion of voting power heldby Doğan Holding and its subsidiaries(%)		Proportion of voting power held by Doğan family members(%)		Total proportion voting power held (%)		Total proportion of effective ownership interest(%)	
Subsidiaries	**2010**	**2009**	**2010**	**2009**	**2010**	**2009**	**2010**	**2009**
Expressz Magyarorszag Media Zrt	100,00	100,00	-	-	100,00	100,00	43,18	40,85
OOO Belpronto	60,00	60,00	-	-	60,00	60,00	25,91	24,51
OOO Pronto Rostov	100,00	100,00	-	-	100,00	100,00	43,18	40,85
OOO Pronto Aktobe	80,00	80,00	-	-	80,00	80,00	27,64	26,14
OOO Pronto Kurgan	85,00	85,00	-	-	85,00	85,00	36,71	34,72
OOO Novoprint	100,00	100,00	-	-	100,00	100,00	43,18	40,85
OOO Balt-Pronto Kaliningrad (14)	-	100,00	-	-	-	100,00	-	40,85
OOO Delta-M	55,00	55,00	-	-	55,00	55,00	23,75	22,47
OOO Pronto Baikal	100,00	100,00	-	-	100,00	100,00	43,18	40,85
OOO Pronto DV	100,00	100,00	-	-	100,00	100,00	43,18	40,85
OOO Pronto Ivanovo	100,00	100,00	-	-	100,00	100,00	43,18	35,13
OOO Pronto Kaliningrad	95,00	95,00	-	-	95,00	95,00	41,02	38,81
OOO Pronto Kazan	72,00	72,00	-	-	72,00	72,00	31,09	29,41
OOO Pronto Krasnodar	80,00	80,00	-	-	80,00	80,00	34,54	32,68
OOO Pronto Krasnoyarsk	100,00	100,00	-	-	100,00	100,00	43,18	40,85
OOO Pronto Nizhnij Novgorod	90,00	90,00	-	-	90,00	90,00	38,87	36,76
OOO Pronto Novosibirsk	100,00	100,00	-	-	100,00	100,00	43,18	40,85
OOO Pronto Oka (10)	100,00	100,00	-	-	100,00	100,00	43,18	40,85
OOO Pronto Petersburg	51,00	51,00	-	-	51,00	51,00	22,02	20,83
OOO Pronto Samara	89,90	89,90	-	-	89,90	89,90	38,82	36,72
OOO Pronto Stavropol	100,00	100,00	-	-	100,00	100,00	43,18	40,85
OOO Pronto UlanUde	90,00	90,00	-	-	90,00	90,00	38,87	36,76
OOO Pronto Vladivostok	90,00	90,00	-	-	90,00	90,00	38,87	36,76
OOO Pronto Volgograd	100,00	100,00	-	-	100,00	100,00	43,18	40,85
OOO Pronto-Moscow	100,00	100,00	-	-	100,00	100,00	43,18	40,85
OOO Pronto Neva (11)	100,00	-	-	-	100,00	-	43,18	-
OOO Tambukan	85,00	85,00	-	-	85,00	85,00	36,71	34,72
OOO Utro Peterburga	55,00	55,00	-	-	55,00	55,00	23,75	22,47
OOO Pronto Astrakhan	100,00	100,00	-	-	100,00	100,00	43,18	40,85
OOO Pronto Kemerovo	100,00	100,00	-	-	100,00	100,00	43,18	40,85
OOO Pronto Sever (14)	-	90,00	-	-	-	90,00	-	36,76
OOO Pronto Smolensk	100,00	100,00	-	-	100,00	100,00	43,18	40,85
OOO Pronto Tula	100,00	100,00	-	-	100,00	100,00	43,18	40,85
OOO Pronto Voronezh	100,00	100,00	-	-	100,00	100,00	43,18	40,85
OOO Tambov-Info	100,00	100,00	-	-	100,00	100,00	43,18	40,85
OOO Pronto Obninsk	100,00	100,00	-	-	100,00	100,00	43,18	40,85
OOO Pronto Komi (12)	-	70,00	-	-	-	70,00	-	28,59
OOO Pronto-Akmola	100,00	100,00	-	-	100,00	100,00	43,18	40,85
OOO Pronto Atyrau	100,00	100,00	-	-	100,00	100,00	34,54	32,68
OOO Pronto Aktau	100,00	100,00	-	-	100,00	100,00	34,54	32,68
Informatcia Vilnusa (1)	-	100,00	-	-	-	100,00	-	40,85
ZAO Pronto Akzhol	80,00	80,00	-	-	80,00	80,00	34,54	32,68
SP Pronto Kiev	50,00	50,00	-	-	50,00	50,00	21,59	20,42
Internet Posao d.o.o.	100,00	100,00	-	-	100,00	100,00	30,23	28,59
Moje Delo spletni Marketing d.o.o. (7)	100,00	100,00	-	-	100,00	100,00	43,18	40,85
Bolji Posao d.o.o. Serbia	100,00	100,00	-	-	100,00	100,00	23,75	22,47
Bolji Posao d.o.o. Bosnia	100,00	100,00	-	-	100,00	100,00	23,75	22,47
OOO RUKOM	100,00	100,00	-	-	100,00	100,00	43,18	40,85

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

2.1.3 Consolidation principles (Continued)

	Proportion of voting power heldby Doğan Holding and its subsidiaries(%)		Proportion of voting power held by Doğan family members(%)		Total proportion voting of power held (%)		Total proportion of effective ownership interest(%)	
Subsidiaries	**2010**	**2009**	**2010**	**2009**	**2010**	**2009**	**2010**	**2009**
OOO Partner-Soft	100,00	100,00	-	-	100,00	100,00	43,18	40,85
Pronto soft	90,00	90,00	-	-	90,00	90,00	38,87	36,76
TOV E-Prostir	50,00	50,00	-	-	50,00	50,00	21,59	20,42
Prime Turk	100,00	100,00	-	-	100,00	100,00	59,41	57,73
Osmose Media	100,00	100,00	-	-	100,00	100,00	59,41	57,73
OOO Optoprint (13)	-	100,00	-	-	-	100,00	-	40,85
OOO Pronto Print (14)	-	54,00	-	-	-	54,00	-	22,06
OOO Rosprint	100,00	100,00	-	-	100,00	100,00	43,18	40,85
OOO Rosprint Samara	100,00	100,00	-	-	100,00	100,00	43,18	40,85
Impress Media Marketing LLC (7)	100,00	100,00	-	-	100,00	100,00	43,18	40,85
OOO Pronto TV	100,00	70,00	-	-	100,00	70,00	43,18	28,59
Pronto Ust Kamenogorsk	90,00	90,00	-	-	90,00	90,00	34,54	30,90
Doğan TV	79,71	74,51	-	-	79,71	74,51	59,41	55,54
Kanal D	94,81	94,81	-	-	94,81	94,81	56,33	52,65
Işıl TV	100,00	100,00	-	-	100,00	100,00	59,41	55,53
Alp Görsel	100,00	100,00	-	-	100,00	100,00	59,41	55,54
Fun TV	97,12	95,25	-	-	97,12	95,25	57,70	52,90
Tempo TV	96,83	95,25	-	-	96,83	95,25	57,48	52,85
Kanalspor	99,75	99,63	0,12	0,12	99,88	99,75	59,21	55,28
Milenyum TV	99,96	99,94	-	-	99,96	99,94	59,39	55,50
TV 2000	99,07	98,61	0,46	0,46	99,53	99,07	58,81	54,71
Moda Radyo	99,74	99,56	0,09	0,22	99,83	99,78	59,25	55,29
Popüler TV	96,00	96,00	1,33	1,33	97,33	97,33	56,98	53,26
D Yapım Reklamcılık	100,00	100,00	-	-	100,00	100,00	59,41	55,54
Bravo TV	99,73	99,60	-	-	99,73	99,60	59,20	55,26
Doğa TV	98,12	98,12	0,63	0,63	98,75	98,75	58,25	54,45
Altın Kanal	99,35	99,35	0,22	0,22	99,57	99,57	58,97	55,12
Stil TV	99,39	99,08	0,31	0,61	99,70	99,69	58,99	54,97
Selenit TV	99,81	99,74	0,06	0,13	99,87	99,87	59,24	55,34
Elit TV	99,05	98,73	0,32	0,64	99,37	99,37	58,79	54,78
D Çocuk	99,41	99,12	0,30	0,59	99,71	99,71	59,01	54,99
Ekinoks TV	99,80	99,80	0,07	0,13	99,87	99,93	59,24	55,37
Dönence TV	97,87	96,80	1,07	2,13	98,94	98,93	58,09	53,71
Fleks TV	98,79	98,18	0,60	1,21	99,39	99,39	58,64	54,47
Meridyen TV	99,98	99,98	0,01	0,01	99,99	99,99	59,36	55,48
Planet TV	99,65	99,47	0,17	0,35	99,82	99,82	59,15	55,19
HD TV	99,81	99,72	0,10	0,19	99,91	99,91	59,24	55,32
Ekin Radyo (11)	100,00	-	-	-	100,00	-	59,40	-
Doğan Prodüksiyon	100,00	100,00	-	-	100,00	100,00	59,41	55,54
Doğan TV Dijital	99,80	99,70	0,10	0,20	99,90	99,90	59,24	55,32
Kutup TV	99,79	99,69	0,11	0,21	99,90	99,90	59,23	55,31
Galaksi TV	99,20	99,07	-	-	99,20	99,07	58,88	54,97
Opal İletişim	99,92	99,92	-	-	99,92	99,92	59,36	55,49
Koloni TV	90,00	86,67	3,34	6,67	93,34	93,34	53,47	48,13
Atılgan TV	90,00	86,67	6,67	6,67	96,67	93,34	53,47	48,13
Atmosfer TV	86,67	86,67	3,33	3,33	90,00	90,00	51,44	48,08
Gümüş TV	92,86	92,86	1,79	1,79	94,64	94,65	55,12	51,52
Platin TV	91,30	91,30	2,17	2,17	93,47	93,47	54,19	50,66
Yörünge TV	98,39	98,39	0,40	0,40	98,79	98,79	58,40	54,59
Lapis Televizyon	99,91	99,65	0,03	0,12	99,94	99,77	59,35	55,34

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

2.1.3 Consolidation principles (Continued)

	Proportion of voting power heldby Doğan Holding and its subsidiaries(%)		Proportion of voting power held by Doğan family members(%)		Total proportion voting power held (%)		Total proportion of effective ownership interest(%)	
Subsidiaries	**2010**	**2009**	**2010**	**2009**	**2010**	**2009**	**2010**	**2009**
Safir Televizyon	90,00	90,00	3,33	3,33	93,33	93,33	53,42	49,93
Tematik TV	90,00	90,00	3,33	3,33	93,33	93,33	53,47	49,98
Akustik TV	99,96	99,96	0,01	0,01	99,97	99,97	59,36	55,49
Ametist TV	99,96	99,96	0,01	0,01	99,97	99,97	59,39	55,51
Süper Kanal	99,65	99,53	0,12	0,23	99,77	99,76	59,15	55,22
Uydu	58,67	52,00	32,00	38,67	90,67	90,67	34,83	28,85
Mobil (15)	99,99	75,00	-	-	99,99	75,00	59,41	41,65
Matis TV	100,00	100,00	-	-	100,00	100,00	59,41	55,53
Yonca TV	100,00	100,00	-	-	100,00	100,00	59,41	55,53
İnci TV	86,67	86,67	3,33	3,33	90,00	90,00	51,44	48,08
Kuvars TV	86,67	86,67	3,33	3,33	90,00	90,00	51,44	49,99
Lal TV	86,67	86,67	3,33	3,33	90,00	90,00	51,44	49,99
Truva TV	86,67	86,67	3,33	3,33	90,00	90,00	51,44	49,99
Kayra TV	86,67	86,67	3,33	3,33	90,00	90,00	51,44	49,99
Milas TV	86,67	86,67	3,33	3,33	90,00	90,00	51,44	49,99
Kanal D Romanya	74,90	74,90	-	-	74,90	74,90	51,43	51,43
Anemon	99,99	99,99	-	-	99,99	99,99	59,40	55,53
Yosun	99,99	99,99	-	-	99,99	99,99	59,40	55,53
Denizatı	99,99	99,99	-	-	99,99	99,99	59,40	55,52
Protema Yapım	99,99	99,99	0,01	0,01	100,00	100,00	59,41	55,53
Doğan Teleshopping	99,99	99,99	-	-	99,99	99,99	59,38	55,49
ZAO NPK	100,00	100,00	-	-	100,00	100,00	43,18	40,85
D Radyo	98,79	98,18	-	-	98,79	98,18	58,69	54,53
Rapsodi Radyo	98,14	97,22	-	-	98,14	97,22	58,31	53,99
CNN Türk Radyo	95,76	95,60	-	-	95,76	95,60	56,89	53,09
DMC	99,96	99,96	0,01	0,01	99,97	99,97	64,22	61,60
İnteraktif Medya	100,00	75,00	-	-	100,00	75,00	59,41	41,65
DMK	100,00	100,00	-	-	100,00	100,00	74,53	74,53
Hürservis	100,00	100,00	-	-	100,00	100,00	72,95	72,95
Birpa	99,98	99,98	0,01	0,01	99,99	99,99	74,52	74,52
Doğan İletişim	100,00	100,00	-	-	100,00	100,00	74,53	74,53
Doğan Factoring	100,00	100,00	-	-	100,00	100,00	74,08	74,08
Turner Doğan (16)	49,99	49,99	-	-	49,99	49,99	29,70	27,76
Nartek (17)	60,00	-	-	-	60,00	-	36,42	-
Milpa	86,27	65,00	0,22	0,50	86,49	65,50	86,27	65,00
Hürriyet Pazarlama (18)	-	99,94	-	0,05	-	99,99	-	99,94
Milanur (19)	-	100,00	-	-	-	100,00	-	65,01
Doğan Oto	99,76	99,76	0,24	0,24	100,00	100,00	99,76	99,76
Enteralle Handels	100,00	95,48	-	4,52	100,00	100,00	86,27	62,06
Orta Anadolu Otomotiv	85,00	85,00	-	-	85,00	85,00	84,80	84,80
Doğan Havacılık	100,00	100,00	-	-	100,00	100,00	91,34	91,34
Çelik Halat	78,69	78,69	-	-	78,69	78,69	78,69	78,69
Ditaş Doğan	73,59	73,59	-	-	73,59	73,59	73,59	73,59
Milta Turizm	98,68	98,68	1,32	1,32	100,00	100,00	98,68	98,68
Doğan Organik	100,00	100,00	-	-	100,00	100,00	98,57	98,57
Zigana	84,91	84,91	-	-	84,91	84,91	84,91	84,91
Çelik Enerji	100,00	100,00	-	-	100,00	100,00	99,88	99,88
Doğan Enerji	100,00	100,00	-	-	100,00	100,00	100,00	100,00
D-Yapı Romanya	100,00	100,00	-	-	100,00	100,00	100,00	100,00
TOV D-Yapı (20)	-	100,00	-	-	-	100,00	-	100,00
D Stroy	100,00	100,00	-	-	100,00	100,00	100,00	100,00
SC Doğan Hospitals	100,00	100,00	-	-	100,00	100,00	100,00	100,00

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

2.1.3 Consolidation principles (Continued)

	Proportion of voting power heldby Doğan Holding and its subsidiaries(%)		Proportion of voting power held by Doğan family members(%)		Total proportion voting power held (%)		Total proportion of effective ownership interest(%)	
Subsidiaries	**2010**	**2009**	**2010**	**2009**	**2010**	**2009**	**2010**	**2009**
DHI Investment	100,00	100,00	-	-	100,00	100,00	100,00	100,00

(1) The subsidiaries were liquidated in 2010.
(2) According to the statutory accounts of Doğan Gazetecilik, proportion of effective ownership interest of Doğan Yayın is 52,74%. Nevertheless, because of the option explained in Note 8, the operational results of Doğan Gazetecilik and its subsidiaries are included into the consolidation by the Group with the rate of 69,13% by considering the additional share proportion in accordance with IAS 32 "Financial Instruments: Presentation"
(3) The entity ceased operations on May 2010.
(4) The subsidiary (party) is merged with Oglasnik d.o.o in 2010
(5) DYG İlan ve Reklam Hizmetleri A.Ş. was merged with Milliyet İnternet through a takeover in accordance with the requirements of the relevant law. After the merger, DYG İlan continues to operate under the name of Milliyet İnternet Hizmetleri ve Ticaret A.Ş.
(6) Yaysat Yayın Satış Pazarlama ve Dağıtım A.Ş. was merged with Doğan Dağıtım through a takeover in accordance with the requirements of the relevant law. After the merger, Doğan Dağıtım continues to operate under the name of Doğan Dağıtım Satış Pazarlama Matbaacılık Ödeme Aracılık ve Tahsilat Sistemleri A.Ş.
(7) Related rates include put-options regarding non-controlling shares explained in Note 15.
(8) The subsidiary is merged with Pronto Invest B.V. in 2010
(9) The subsidiary is merged with Mirabridge International B.V. in 2010.
(10) The Company has discontinued its operations as of December 2007.
(11) The subsidiary was established on 2010
(12) The shares of related subsidiaries were sold in 2010.
(13) The subsidiary was merged with OOO Pronto Moscow in 2010.
(14) Related subsidiary was liquidated in 2010.
(15) The operations have been terminated as of 28 July 2010.
(16) 50% shares of Turner Doğan Prodüksiyon ve Satış A.Ş., which was accounted as joint venture as of 31 December 2009, was purchased by Doğan TV Holding A.Ş. for TRY 25. Regarding to the purchase, Turner Doğan Prodüksiyon ve Satış A.Ş. has been accounted as subsidiary.
(17) The Group has acquired the shares of Nartek Bilişim Pazarlama Hizmetleri A.Ş. ("Nartek") in August 2010, and Nartek has been consolidated to the accompanying consolidated financial statements as a subsidiary as of 31 December 2010.
(18) By means of transferring all assets and liabilities as a whole, merger of Hürriyet Pazarlama with Milpa was registered on 30 September 2010.
(19) By means of transferring all assets and liabilities as a whole, merger of Milanur with Doğan Oto was registered on 16 March 2010.
(20) Related subsidiary was liquidated as of December 2010.

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

(c) Joint Ventures are companies in respect of which there are contractual arrangements through which an economic activity is undertaken subject to joint control by Doğan Holding and one or more other parties. Doğan Holding exercises such joint control through the power to exercise voting rights relating to shares in the companies as a result of shares owned directly and indirectly by itself or by certain Doğan family members and companies whereby Doğan Holding exercises control over the voting rights of (but does not have the economic benefit of) the shares held by them. The Group's interest in Joint Ventures is accounted for by the way of proportionate consolidation. Through this method, the Group includes its share of assets, liabilities, shareholders' equity, income and expenditure of each Joint Venture in the relevant components of the financial statements.

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

2.1.3 Consolidation principles (Continued)

(d) Available-for-sale equity investments in which the Group, together with Doğan family members, has an interest below 20%, or above 20% over which the Group does not exercise a significant influence, or which are immaterial and that do not have quoted market price in active markets an whose fair values cannot be measured reliably, are carried at cost less any provision for diminution in value (Note 7).

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

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

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

The results of subsidiaries acquired or disposed of during the year have been included in the consolidated statement of comprehensive income after the date of purchase or until the date of disposal.

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

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

Where necessary, comparative figures have been reclassified to confirm to the changes in presentation in the current period.The details of reclassification which does not have an impact on the retained earnings/losses and net income/ (loss) for the year are presented below.

- "Change in long-term trade payables" account amounting to TRY 207.270 which was formerly presented by the Group under financing activities section of the statement of cash flows for the year ended 31 December 2009 is reclassified to the operating activities heading after reassessment of the management in the current period. As a result of this reclassification, total net cash flows provided from operating activities of the Group decreased from TRY 459.700 to TRY 252.430, and total net cash flows used in financing activities decreased from TRY 1.082.134 to TRY 874.864.

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

2.1.4 Comparative information, changes in accounting policies and restatement of prior period financial statements (Continued)

- "Unused vacation provision" account amounting to TRY 24.389 was formerly presented by the Group under current provisions in the balance sheet as of 31 December 2009 is reclassified to "other current liabilities" after reassessment of the management in the current period. As a result of this reclassification, current provisions of the Group decreased from TRY 134.860 to TRY 110.371, and other current liabilities increased from TRY 141.303 to TRY 165.692.

- "Valuation of derivative instruments" account amounting to TRY 1.753 was formerly presented by the Group under "other payables" in the balance sheet as of 31 December 2009 is reclassified to "other financial liabilities" after reassessment of the management in the current period. As a result of this reclassification, total other financial liabilities of Group increased from TRY 17.820 to TRY 19.735, and total other payables decreased from TRY 260.879 to TRY 258.964.

- "Restricted reserves assorted from profit" account amounting to TRY 37.451 in the balance sheet of the Group as of 31 December 2009 is reassessed by the management in the current period. As a result of this reassessment, total restricted reserves assorted from profit increased from TRY 37.451 to TRY 680.641, and total of previous years' profit decreased from TRY 837.276 to TRY 194.086.

2.1.5 Significant accounting estimates

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

2.1.6 Offsetting

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

2.1.7 US dollar convenience translation

US dollar ("USD") amounts shown in the consolidated financial statements have been included solely for the convenience of the reader and are translated from Turkish lira ("TRY"), as a matter of arithmetic computation only, at the Central Bank of the Republic of Turkey official TRY exchange rate of TRY 1,5460 = USD 1,00 on 31 December 2010. Thus, USD amounts do not form a part of the consolidated financial statements prepared in accordance with generally accepted accounting standards issued by the CMB. Such translations should not be construed as a representation that the TRY amounts have been or could be converted into USD at this or any other rate.

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

2.2 Summary of significant accounting policies

Accounting policies for Subsidiaries and Joint Ventures have been changed to ensure consistency with the policies adopted by the Group, where necessary. The significant accounting policies, other than Group accounting which is described in Note 2.1.3, followed in the preparation of these consolidated financial statements are summarized below:

2.2.1 Related parties

For the purpose of these consolidated financial statements, shareholders, key management personnel and Board members, in each case together with their families and companies controlled by or affiliated with them, Associates and Joint Ventures are considered and referred to as Related Parties (Note 37).

2.2.2 Marketable securities and financial investments

Group classifies its marketable securities and financial investments as "financial assets at fair value through profit or loss" and "available-for-sale investments".

"*Financial assets at fair value through profit or loss*" are either acquired for generating a profit from short-term fluctuations in price or dealer's margin, or are securities included in a portfolio in which a pattern of short-term profit making exists, independent from acquisition reason. Trading securities are initially recognized at cost of purchase including the transaction costs. Trading securities are subsequently re-measured at fair value. All related realized and unrealized gains and losses are included in the "financial income". Dividends received are recognized as dividend income in the consolidated statement of income.

"Available-for-sale investments" are included in non-current assets unless Group management has the intention of holding these investments for less than 12 months from the balance sheet date, or unless they will need to be sold to raise operating capital, in which case they are included in current assets. The appropriate classification of investments is determined at the time of the purchase and re-evaluated by management on a regular basis. Available-for-sale investments are initially recognized at cost. Available-for-sale investments are subsequently re-measured at fair value. Unrealized gains and losses arising from the changes in the fair values of available-for-sale investments are accounted directly in shareholders' equity rather than consolidated statement of income.

Available-for-sale equity investments in which the Group, together with Doğan family members, has an interest below 20%, or above 20% over which the Holding does not exercise a significant influence, or which are immaterial and that do not have quoted market price in active markets and whose fair values cannot be measured reliably, are carried at cost, which includes the restatement of this cost before 1 January 2005 to the equivalent purchasing power at balance sheet day, less any provision for diminution in value (Note:7).

2.2.3 Sale and repurchase agreements

Securities purchased under agreements to resell ("reverse repo") are recorded as reverse repurchase agreements (Note 6). The difference between sales and repurchase prices is treated as interest and amortized over the life of reverse repo agreements using the effective yield method.

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

2.2.4 Trade receivables and provision for doubtful receivables

Trade receivables that are created by the Group by way of providing goods or services directly to a debtor are carried at amortized cost. Trade receivables that deferred financial income is netted-off and calculated by discounting amounts that will be collected of trade receivables recorded in the original invoice value in the subsequent periods using the effective yield method. Short duration receivables with no stated interest rate are measured at original invoice amount unless the effect of imputing interest is significant (Note 10).

A credit risk provision for trade receivables is established if there is objective evidence that the Group will not be able to collect all amounts due. The amount of the provision is the difference between the carrying amount and the recoverable amount, being the present value of all cash flows, including amounts recoverable from guarantees and collateral, discounted based on the original effective interest rate of the originated receivables at inception.

If the amount of the impairment subsequently decreases due to an event occurring after the write-down, the release of the provision is credited to other income.

2.2.5 Inventories

Inventories are valued at the lower of cost or net realizable value. Cost elements included in inventory are purchase costs and other costs necessary to prepare the asset for its intended use. Cost of inventories is determined on the moving weighted average basis and weighted average basis. Net realizable value is the estimate of the selling price in the ordinary course of business, less the costs of completion and selling expenses (Note 13).

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 management by taking the purchase date into consideration.

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

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

2.2.6 Investment property

Buildings and land held to earn rentals or for capital appreciation or both, rather than for use in the production or supply of goods or services, or for administrative purposes or sale in the ordinary course of business, are classified as investment property. Investment properties are carried at cost less accumulated depreciation. Investment properties (except land) are depreciated on a straight-line basis. Depreciation is calculated on the values of investment properties (Note 17). The depreciation periods for investment property, which approximate the economic useful lives of such assets, are between 5 and 50 years.

Investment properties are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount, which is the higher of asset net selling price or value in use.

2.2.7 Property, plant and equipment

Property, plant and equipment is carried at cost less accumulated depreciation. Property, plant and equipment are depreciated on a straight-line basis (Note 18).

The depreciation periods for property, plant and equipment, which approximate the economic useful lives of such assets, are as follows:

Land improvements	2 - 50 years
Buildings	2 - 50 years
Machinery and equipment	2 - 28 years
Motor vehicles	2 - 17 years
Furniture and fixtures	2 - 50 years
Leasehold improvements	2 - 39 years
Other fixed assets	2 - 50 years
Special costs	5 years

Property, plant and equipment is reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the carrying amount of the asset exceeds its recoverable amount, which is the higher of asset net selling price or value in use.

Costs to property plant and equipment are included in the asset's carrying amount or recognized as a separate asset as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statements during the financial period in which they were incurred. Gains or losses on disposals of property, plant and equipment with respect to their restated amounts are included in the other income and expense accounts, as appropriate.

Other tangible assets mainly consist of tanks, stations and station equipments.

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

2.2.7 Property, plant and equipment (Continued)

The construction in progress, which is related with the electric energy production facility and presented under tangible assets, shortly consists of the following cost items:

- Its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates
- Any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.
- Costs of employee benefits arising directly from the construction or acquisition of the item of property, plant and equipment;
- Costs of site preparation
- Initial delivery and handling costs
- Installation and assembly costs
- Professional fees
- General administration expenses directly related to purchase or construction of the tangible asset
- Finance costs that are addable to the tangible asset costs within the context of IAS 23.
- Expropriation costs incurred for the construction of dam

2.2.8 Leases

Financial Lease

Tangible assets of which all benefits and risks undertaken are gained through financial leasing considered as financial leasing by the group. Financial leases are capitalized at the lower of cost of the tax advantage of the asset at the beginning of the leasing period or the fair value after deducting incentives or the reduced minimum leasing payments on the date of the leasing. Leasing payments are processed as if they comprise capital and interest.

The capital element is treated as a reduction to the capitalized obligation under the lease and the interest element is charged to the statement of income. The property, plant and equipment acquired under finance leases are depreciated over the useful life of the asset.

Operational lease

Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

2.2.9 Goodwill

Goodwill and negative goodwill arising on consolidation, indicating the difference between the purchase price and the attributable share of the Group in the fair value of the underlying net assets of the company acquired, are capitalized and amortized using the straight-line method over the useful life until 31 December 2004, if the acquisition is before 31 December 2004. Within framework of IFRS 3 "Business Combinations", amortization accounting is not applied for goodwill related to the acquisitions after 31 March 2004, and the carrying value of goodwill is reviewed and adjusted for permanent impairment where it is considered necessary (Note 20).

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

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

2.2.9 Goodwill (Continued)

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. 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.

Any negative goodwill arising from business combinations effected subsequent to the same period is recognised as income in the period in which negative goodwill occurs. As of 1 January 2005, the Group has ceased the amortization and impairment testing of goodwill arising from business combinations effected prior to 31 March 2004 in accordance with IFRS 3. As of 1 January 2005, carrying value of negative goodwill arising from the acquisitions of prior periods is removed from the consolidated financial statements under IFRS 3.

Gain and loss related with the sales of a subsidiary includes associated carrying value of the goodwill.

2.2.10 Intangible assets

Intangible assets comprise brand names, customer lists, terrestrial broadcasting permissions and licenses (frequency rights), other identified rights, computer software and television programme rights. Useful lives of certain brand names of the media segment are determined to be infinite (Note 19). Infinite lived intangible assets are not amortized and tested annually for impairment.

The terrestrial frequencies are limited in Turkey, accordingly, since 1994 no new national broadcasting company is allowed to operate. However, in the current practice, national broadcasting companies started broadcasting prior to 1994 continue to operate. The Turkish Radio and Television Supreme Council ("RTÜK") has not yet conducted a tender for terrestrial broadcasting permissions and licences (frequency rights). The subsidiaries of the Group operating in media segment currently do not have any conflicts or disagreements with RTÜK. Therefore, it has been concluded that terrestrial broadcasting permissions and licenses (frequency rights) have an infinite useful life. Infinite lived intangible assets are not amortized and tested annually for impairment.

Estimated useful lives of the finited lived intangible assets for the media segment are as follows:

	Years
Trademark	20 - 25
Customer lists	9 - 18
Domain names	20
Other intangible assets	5 - 49

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

2.2.10 Intangible assets (Continued)

The usage right of the marina is hold by Milta, one of the subsidiaries, and will be amortized over 49 years depending on the transfer agreement made by Privatization Administration (Note:19)

Program rights (foreign series, foreign films and Turkish films) are initially recognized at acquisition cost of the license when the Group controls, in substance, the respective assets and the risks and rewards attached to them . Program rights are evaluated to determine if expected revenues are sufficient to cover the unconsumed portion of the program. To the extent that expected revenues are 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. The appropriateness of the consumption profiles are reviewed regularly by the management. A maximum of 5 runs is applied for the unlimited run purchases.

Programme rights include the Group's in-house productions and acquired broadcasting rights. These rights are amortized as explained below:

- Domestic series, soap operas, in-house productions, game shows, music shows, children programmes, sport programmes and other events and documentaries are fully amortized upon the first transmission and are associated with cost of sales.
- Domestic and foreign movies and foreign series are amortized rapidly by taking into consideration the number of broadcast runs acquired.

Intangible assets are disclosed with their net value which is acquisition cost less accumulated amortization.

Intangible assets are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount, which is the higher of asset net selling price or value in use.

Web page development costs

Direct Costs associated with developing web pages are capitalized and are amortized over their estimated useful lives (Note 19). Following the planning phase and operation; all costs are recognized as expense. Maintenance costs of web pages are accounted as operational expenses.

2.2.11 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 income statement upon the first transmission and included in cost of sales in the consolidated statement of income. If the estimated income from programme stocks is lower than the carrying value, carrying value is discounted to net realizable value.

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

2.2.12 Taxes

Tax provision for the period consists of current year tax and deferred tax. Current year tax liability consists of tax liability which is calculated through the tax rates enacted by the balance sheet date of taxable profit of the profit and adjustment records related to previous years' tax liabilities.

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

Significant temporary differences arise from the financial losses to be deducted, the provision of doubtful receivables, the provision of employment termination benefits, the restatement of property, plant and equipment and inventory over their historical cost, and from the differences of tax bases.

Deferred tax liabilities are recognized for all taxable temporary differences, whereas deferred tax assets resulting from deductible temporary differences are recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary difference can be utilized.

Deferred tax assets and deferred tax liabilities, related to income taxes levied by the same taxation authority, are offset when there is a legally enforceable right to set-off current tax assets against current tax liabilities (Note 35).

2.2.13 Provisions, contingent assets and liabilities

If the Group has liabilities from previous events, will probably sells its economically beneficial assets to pay these liabilities and estimates the cost of the liabilities and if this estimation is reliable; a provision is provided for the related liabilities and the provision is displayed on the financial statements. Contingent liabilities are revaluated continuously to determine the sales probability of the economically beneficial assets. If economically beneficial assets are going to be sold for certain in the future for the payment of the items displayed as contingent liabilities, a provision is provided and displayed in the financial statements for the related contingent liabilities except for the reliable value estimation of the economically beneficial assets which cannot be performed at the time when the sales probability of the economically beneficial assets is made.

Although the payment of the contingent liabilities is certain and the value estimation of the economically beneficial assets is not reliable, the Group displays related liabilities in the footnotes.

Assets resulted from previous events and existence of these assets confirmed with realization of one or more uncertain events which are not wholly controlled by the Group are assessed as contingent assets. If the probability of economical beneficial assets introduction to the entity is assessed as high, contingent assets are displayed in the notes.

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.

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

2.2.14 Financial liabilities

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 recognized in the income statement 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 qualifying asset (means that a long period of time is required to make available for sale and use as purposed) are capitalized as a part of cost of the related asset.(Note 18).

2.2.15 Eurobonds

Eurobonds are recognized initially at their fair value, being their issue proceeds net of transaction costs incurred. Eurobonds are subsequently stated at amortised cost using the effective yield method; any difference between the proceeds and redemption value is recognized in the consolidated income statement over the period of the Eurobonds.

2.2.16 Accounting of share sales purchases from non-controlling interest

The Group applies "Parent Company Model" (for purchase and sale transactions of subsidiary's shares) for transactions when the control is not lost. Disposals to non-controlling interests that are resulted in gains and losses, are recorded in the income statement (Note 31). Purchases from non-controlling interests result in goodwill, being the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary (Note 3 and Note 20).

2.2.17 Employment termination benefits

Employment termination benefits represent the present value of the estimated total reserve of the future probable obligation that arises on the retirement of the employees, employees who achieve the retirement age and employees whose employment is terminated without due cause, who are called up for military service or who die, calculated in accordance with the Turkish Labour Law and Press Labour Laws for companies in the media segment (Note 24).

2.2.18 Share capital and dividends

Ordinary shares are classified as equity. Dividend income is recognised as income when right to obtain of dividend is generated. 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 Company's shareholders.

2.2.19 Foreign currency transactions

Functional currency

Items included in the financial statements of each entity in the Group 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 reporting currency of the Group.

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

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

2.2.19 Foreign currency transactions (Continued)

Foreign currency transactions and balances

Income and expenses arising in foreign currencies have been translated into TRY at the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies have been translated into TRY 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 income.

Foreign Group companies

The results of Group undertakings using a measurement currency other than TRY are first translated into Turkish lira by using the average exchange rate for the period. The assets and liabilities of such Group undertakings are translated into TRY 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.

Country	Currency Type	2010	2009
Euro zone	Euro	2,0491	2,1603
Russia	Ruble	0,0507	0,0493
Hungary	Forint	0,0074	0,0080
Croatia	Kuna	0,2776	0,2960
Ukraine	Grivna	0,1942	0,1853
Romania	New Lei	0,4826	0,5161

2.2.20 Revenue recognition

a) Media segment

Revenues include the invoiced value of sales of goods and services. Revenues are recognized on an accrual basis at the time deliveries and risk and benefits are transferred, the amount of the revenue can be measured reliably and it is probable that the economic benefits associated with the transaction will flow to the Group, at the fair value of the consideration received or receivable.

Net sales represent the invoiced value of goods shipped less sales returns and commission. 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 difference between the fair value and the nominal amount of the consideration is recognized as interest income on a time proportion basis that takes into account the effective yield on the asset (Note 28).

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

2.2.20 Revenue recognition (Continued)

a) Media segment (Continued)

Revenues from television, newspaper, magazine and other advertisements

Revenue from advertisements is recognised on an accrual 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.

Revenues from newspaper and magazine sales

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:

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 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.

Revenues from printing services

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

b) Discontinued Operations

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

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

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

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

2.2.20 Revenue recognition(Continued)

b) Discontinued Operations (Continued)

Income from discontinued operations is consolidated by the method of proportional consolidation until 22 December 2010 and reclassified in "profit after tax from discontinued operations" in the consolidated statement of income for the year ended 31 December 2010 (Note 34).

c) Other segment

Revenue is recognized on the invoiced amount on an accrual basis at the time of deliveries or acceptances are made. Net sales represent the invoiced value of goods shipped less sales returns and commission. When the arrangement effectively constitutes a financing transaction, the fair value of the consideration is determined by discounting all future receipts using the effective yield method. The difference between the fair value and the nominal amount of the consideration is recognized as "financial income" in the period.

Service and other revenues are recognized on accrual basis at the fair value of the amount obtained or to be obtained based on the assumptions that delivery is realized, the income can be reliably determined and the inflow of the economic benefits related with the transaction to the Group is probable.

Housing construction projects

The revenue generated from the housing construction projects 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. The Group's subsidiary, Milpa, has an ongoing investment project "Milpark" and the amounts received from customers in relation to the project is followed under advances received until the final delivery date of the units under construction in Milpark project (Note 11).

Procedures related to the landowner

The Group has entered in to a Landownership agreement ("LOA") in the Milpark project. In accordance with the agreement, the Group commits to develop real estate projects on lands that are owned by the landowner and in return for the land transfer the ownership of the pre-agreed ratio of the constructed assets to the landowner. For landownership agreements, the value of land transferred to the Group is carried at fair value at the date of agreement and when the Group meets all of its contractual liabilities and all risks and rewards of the ownership of the assets are transferred to the landowner following the approval of the delivery notice by the landowner, revenue is recognised as the sale profit obtained from the landowner.

Vehicle Sale

The risk and reward is assumed to be transferred to the buyer when the Special Consumption Tax is paid and the licence is issued and with the measurement of the revenue reliably, reveneu is recognized.

Other revenues

Interest income is recognized on a time proportion basis and income accrual is ascertained by taking effective and remaining maturity interest rates into account.

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

2.2.20 Revenue recognition(Continued)

Dividend income from investments is recognized when the shareholders' rights to receive payment have arisen.

Rent income and other income are recognized on an accrual basis.

2.2.21 Research and development costs

Research and development costs are recognized as an expense in the consolidated statement of comprehensive income in the period in which they are incurred. Research and developments costs incurred in the periods ended 31 December 2010 and 31 December 2009 are related to discontinued operations.

2.2.22 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 transaction which generates revenue. When goods are sold or services are rendered in exchange for dissimilar goods or services, the exchange is regarded as a transaction which generates revenue. The 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 are 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.

2.2.23. Governement Grants

All government grants including the non – monetary government grants measured with fair value, are recognized where there is a reasonable assurance that the grant will be received and the group will comply with all attached conditions. Group, within the context of Incentive of Investments and Employment Law numbered 5084 ("5084 numbered Law"), is benefiting from insurance incentive. In addition to that, Group took Investment Incentive Certificate for the facility modernization which is performed within the media operations and is exempted from Import Tax and VAT.

2.2.24 Liquid Assets

Cash and cash equivalents include cash and amounts due from banks, and short-term, highly liquid investments, which have insignificant risk of value in exchange with maturity periods of less than 12 months.

2.2.25 Cash and cash equivalents

Cash flow statements as integral part of financial statements are prepared so as to inform users of financial statements regarding the change in Group's net assets, financial structure and the ability to guide cash flow amounts and timing according to the changing conditions.

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with insignificant risk of value in exchange and original maturities of 3 months or less and marketable securities with original maturities of less than 3 months.

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

2.2.26 Earnings / loss per share

Earnings/loss per share disclosed in the consolidated statements of income/(expense) are determined by dividing net profit/(loss) by the weighted average number of shares that have been outstanding during the period concerned.

In Turkey, companies can increase their paid-in 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. Accordingly the weighted average number of shares used in earnings per share computations is derived by giving retroactive effect to the issuances of the shares without consideration (Note 36).

2.2.27 Segment reporting

As of 31 December 2008, Group has early adopted IFRS 8 "Operating Segments" standard that is effective for the periods beginning on or after 1 January 2009. Industrial segment is an operational group that provides products and services which are exposed to different risks and benefits other than other industrial segments and for management reporting purposes, is composed of three main groups, namely "Media", "Energy" and "Other". Two main branches of Group as "Media" and "Other" have been reported in continuing operations since "Energy" segment is reported under "discontinued operations" in the comprehensive income statement dated 31 December 2010 after completion of the transfer of shares of POAŞ at 22 December 2010.

2.2.28 Accounting of derivative financial instruments and hedging transactions

2.2.28.a) Derivative financial instruments

Derivative forward instruments, predominantly foreign currency and interest swap agreements and foreign currency forward agreements are initially recognised at their historical 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.

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

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

The Group uses various derivative instruments to preserve the value of its petroleum inventories and cargo imports, to ensure a constant flow of income, and to minimize adverse price movements.The effect of these derivative transactions on current period are diclosed under discontinued operations.

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

2.2.28.b) Accounting for 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. IAS 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 recognized in the income statement as finance income or expense in subsequent periods.

2.2.29 Non-controlling interests

Non-controlling interests present the shares of non-controlling shareholders in the net assets and the results of the period for the Subsidiaries and are separately disclosed in the consolidated balance sheets and statements of income. When the losses applicable to the non-controlling exceed the non-controlling interest in the equity of the subsidiary, the excess loss and the further losses applicable to the non-controlling are charged against the majority interest except to the extent that the non-controlling shares has a binding obligation to, and is able to make good the losses.

2.2.30 Business Combinations

Business combinations are accounted in accordance with IFRS 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 income statement. Goodwill recognized 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 (Note 3).

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 recognized under equity. IAS 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 recognized as goodwill.

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

2.2.31 Impairment of assets

The Group reviews all assets except goodwill and intangible assets with indefinite useful lives at each balance sheet date in order to see if there is a sign of impairment on the stated asset. If there is such a sign, carrying amount of the stated asset will be compared with the net realizable value which is the higher of value in use and fair value less cost to sell. Impairment exists if the carrying value of an asset or a cash generating unit including the asset is greater than its net realizable value. Impairment losses are recognized in the consolidated income statement.

2.2.32 Change in accounting policies, accounting estimates and errors

Changes in accounting policies or determined accounting errors are applied retrospectively and the financial statements of the previous year are adjusted. If estimated changes in accounting policies are for only one period, changes are applied to the current year but if the estimated changes are for the following periods, changes are applied both to the current and following periods prospectively.

2.2.33 Deferred financial income/expenses

Deferred financial income/expenses represent financial income and expenses on futures sales and purchases. Throughout the sales and purchases in the credit and purchases period, income and expenses are computed using an effective interest rate method and disclosed under financial income and expenses (Note 32 and 33).

2.2.34 Discontinued Operations

Discontinued operations which are activities disposed by the Group including their cash flows, are an important segment that can be separated from the entire Group. Result of the disposed operations till the date on which the control of the Group over such operations is lost are presented in a separate line under discontinued operations in the consolidated statement of income as of 31 December 2010. The results of the disposed operations for the year ended 31 December 2009 (prior period) are reclassified under discontinued operations in order to present the consolidated statements of income comparatively. Profit/loss on disposal of discontinued operations and also the related tax expense are included in the results of these operations. Profit/loss on disposal of discontinued operations is calculated as the difference between the book value of net assets disposed and the sales price (Note 41).

2.2.35 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

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

2.2.35 Borrowing Costs (Continued)

General borrowings of the Group are capitalized to the applicable qualifying assets based on a capitalization rate. The capitalization rate is the weighted average of the borrowing costs applicable to the borrowings of the entity that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

Group has capitalized the real part of the related borrowing costs in the cost of real estate projects built by Milpa and also the ongoing construction of hidroelectric power plant project built by Boyabat Elektrik, in the year 2010 and 2009; other borrowing costs are recognized in the statement of income/ (loss) in the period in which they are incurred.

2.3 Critical Accounting Estimates, Assumptions and Judgments

2.3.1. Critical accounting estimates and assumptions

a) Tax penalties and notices and ongoing tax cases

In relation to tax penalties disclosed in detail in Note 20, the Group management includes the following information to the evaluation process: earlier reviews of Ministry of Finance; expert opinions given in tax literature; similar court verdicts issued by tax courts and Council of State; updated position status of the court cases; opinions of tax and legal advisors; and reconciliation discussions. As a result of the evaluation process, provision is allocated for economical resources, which can be reliably estimated if possible outflow of these economical resources from the entity is highly probable. The Group has booked provision for tax penalties amounting to TRY 26.171 (As of 31 December 2009: TRY 32.447) in the consolidated financial statements as of 31 December 2010 based on the best estimates (Note 22).

(b) Estimated impairment of goodwill

In accordance with the accounting policy mentioned in Note 2.2.19, goodwill is annually tested for impairment by the Group. Recoverable amount of cash generating units is measured based on the value in use calculations.

(c) Useful lives of intangible assets

Group estimates the useful lives of some of its amount of TRY 252.507 (2009: TRY 286.386) trademarks and its terrestrial broadcasting and permission licenses (frequency rights) are indefinite. If these intangible assets’ useful lives had been finite (in case of useful lives of 20 years), the amortization charge and the loss before income taxes from continuing operations would have increased by TRY 18.124 (As of 31 December 2009: TRY 18.365).

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

2.3 Critical Accounting Estimates, Assumptions and Judgments (Continued)

2.3.1. Critical accounting estimates and assumptions (Continued)

(d) Probable liabilities related to the share sales agreement signed with Commerz-Film GmbH

Doğan Yayın Holding , subsidary of Group sold 90.854.185 shares, 25% of the paid-in capital of Doğan TV, to Commerz-Film GmbH (formerly registered as Dreiundvierzigste Media Vermögengsverwaltungsgesellschaft mbH), a 100% subsidiary of Axel Springer A.Ş., for EUR 375.000 (TRY 694.312, this amount is defined as "initial sales price") on 2 January 2007. In accordance with the agreement that the initial sales price will be revised depending on the "initial public offering" ("IPO") of the shares of Doğan TV if available.

With the agreement signed on 19 November 2009 between Doğan Şirketler Grubu Holding A.Ş., Doğan Yayın Holding, Doğan TV and Commerz-Film GmbH; the dates that the recalculation of the initial sales prices will be based on are postponed for a 4 year period without reservations.

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

- Axel Springer Group has sale options for 3,3% of its shares in Doğan amounting to EUR 50.000 subsequent to January 2013 and the other 3,3% of its shares amounting to EUR 50.000 subsequent to January 2014 to Doğan Şirketler Grubu Holding A.Ş. and Doğan Şirketler Grubu Holding A.Ş. has the commitment to purchase these shares. Axel Springer Group may exercise the sale options fully or partially.

- Axel Springer Group has option to sell some or all of its shares in Doğan TV with the higher of EUR 4,1275 per share or a fair value to be determined by specific valuation techniques and Doğan Holding has a commitment to purchase these shares. In order to exercise this option, the following conditions must be met:

    - Doğan TV shares should not be offered to the public by 30 June 2017,
    - There should be direct or indirect control change over Doğan Holding, Doğan Yayın Holding or Doğan TV,
    - There should be pledges or sequestration on the Doğan Yayın Holding's assets that have significant unfavorable effects on the operations of Doğan Yayın Holding in addition to the existing ones.

In accordance with the agreement signed on 19 November 2009, Doğan Yayın Holding shall make a TRY cash capital increase in Doğan TV that corresponds to EUR 385.000, and as a result of the capital increase, Doğan TV shares owned by Commerz-Film GmbH shall be diluted to 19,9% from 25%. In January 2010 and May 2010, the capital increase of Doğan TV, was completed in two steps. As a result of the capital increase, the shares of Doğan Yayın Holding and Commerz-Film GmbH at Doğan TV reach 79,71% and 19,9% respectively.

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

2.3 Critical Accounting Estimates, Assumptions and Judgments (Continued)

2.3.1. Critical accounting estimates and assumptions (Continued)

d) Probable liabilities related to the share sales agreement signed with Commerz-Film GmbH (Continued)

The Board of Directors of Doğan TV made the above-mentioned January 2010 capital increase decision in December 2009. The required applications were made and permission was obtained from Republic of Turkey Ministry of Industry and Trade at December 2009. Considering the substance over form principle, Doğan Yayın Holding assessed capital advances, that would not be planned to payback as a part of the net investment at Doğan TV as of 31 December 2009.

Partial sale shares or purchases of subsidiaries that are under the control of Doğan Yayın Holding (transactions with non-controlling interests) are accounted for by using the "Parent Company Model". Accordingly, goodwill is calculated in the share purchase transactions. As a result of the 2,9% share acquisition of Doğan TV Holding A.Ş through the premium capital increase as explained above, the Group recognised TRY 117.517 of goodwill (Note 3).

The Board of Directors decided to increase their capital upon the decision made prior to balance sheet date on 31 December 2009. In accordance with the decision, the Group's capital has decided to be increased to the TRY equivalent of EUR 385.000. Excluding the first portion of increase made in January 2010 amounting to TRY 432.079, TRY 380.164 of such increase made in May 2010, is treated as the acquisition of non-controlling interests of a Doğan Yayın Holding subsidiary and the related amount is recognised under equity in accordance with IAS 27 (Revised), which is applicable for annual periods beginning subsequent to 1 July 2009 and no goodwill is recognised (Note 3).

Accordingly, as a result of the transaction mentioned above, there is an increase in non-controlling interest amounting to TRY 54.891 and a corresponding decrease in the equity attributable to equity holders of the Parent Company with the same amount.

EUR 375.000, which is defined above as the initial sale price, can be amended based on the circumstances explained below. As per the agreement, the initial sale price may be subject to revision as the following depending on the "initial public offering" of Doğan TV Holding A.Ş..

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

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

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

2.3 Critical Accounting Estimates, Assumptions and Judgments (Continued)

2.3.1. Critical accounting estimates and assumptions (Continued)

d) Probable liabilities related to the share sales agreement signed with Commerz-Film GmbH (Continued)

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

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

Currently, Doğan Yayın Holding has determined the fair value of Doğan TV in order to identify whether it will assume any future financial liability and made detailed disclosures in its financial statements as of balance sheet date.

To measure fair value, cash flow projections in relation to periods covering 2011-2015 are prepared for Doğan TV and the fair value of Doğan TV has been calculated by discounting the above mentioned cash flow statements. Valuation projections are prepared for a 5 year-budget period.

The critical estimates and assumptions related to cash flow projections prepared in TRY within the scope of fair value determinations of Doğan TV are explained below.

	2011 - 2015
Revenue increase in the budgeted period (1)	%11,81

	2010	**2011**	**2012**	**2013**	**2014**	**2015**
EBITDA margin (2)	%4	%15	%27	%37	%40	%42

(1) Compound annual growth rate (CAGR – compound annual growth rate)
(2) Earnings before interest, taxes, depreciation and amortization

Cash flow projections are discounted with 14% as the by rate of weighted average cost of capital.

Based on the fair value calculated through the discount rates and cash flow projections with significant assumptions mentioned above, there is no financial liability over the sale of 19,9% shares in Doğan TV to Axel Springer Group.

The Group Management recognises a deferred tax asset over the TRY 337.342 of deductible accumulated losses, considering the 5 year projections for profit and business plans (31 December 2009: TRY 294.213)

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

2.3 Critical Accounting Estimates, Assumptions and Judgments (Continued)

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.

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. Management 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.

2.4 Amendments in the CMB Financial Reporting Standards

a)Standards and Interpretations affecting the presentation of financial statements and explanations of disclosures

IAS 27 (2008) Consolidated and Separate Financial Statements

The application of IAS 27(2008) has resulted in changes in the Group's accounting policies for changes in ownership interests in subsidiaries.

Specifically, the revised Standard has affected the Group's accounting policies regarding changes in ownership interests in its subsidiaries that do not result in loss of control. In prior years, in the absence of specific requirements in IFRSs, increases in interests in existing subsidiaries were treated in the same manner as the acquisition of subsidiaries, with goodwill or a bargain purchase gain being recognised, when appropriate; for decreases in interests in existing subsidiaries that did not involve a loss of control, the difference between the consideration received and the adjustment to the non-controlling interests was recognised in profit or loss. Under IAS 27(2008), all such increases or decreases are dealt within equity (Note 3), with no impact on goodwill or profit or loss.

When control of a subsidiary is lost as a result of a transaction, event or other circumstance, the revised Standard requires the Group to derecognise all assets, liabilities and non-controlling interests at their carrying amount and to recognise the fair value of the consideration received. Any retained interest in the former subsidiary is recognised at its fair value at the date control is lost. The resulting difference is recognised as a gain or loss in profit or loss.

The Group applies changes in IAS 27 prospectively from 1 January 2010.

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

2.4 Amendments in the CMB Financial Reporting Standards (Continued)

a)Standards and Interpretations affecting the presentation of financial statements and explanations of disclosures (continued)

IFRS 3 (2008) *Business Combinations*

IFRS 3 (revised), "Business Combinations", IAS 27 (revised), "Consolidated and Separate Financial Statements", IAS 28 "Investments in associates" and IAS 31 "Interests in Joint ventures" are effective for business combinations where the acquisition date is on or after the beginning of the first annual period beginning on or after 1 July 2009. The main impact of the adoption is as follows:

a) to allow a choice on a transaction-by-transaction basis for the measurement of non-controlling interests (previously referred to as 'minority' interests) either at fair value or at the non-controlling interests' share of the fair value of the identifiable net assets of the acquire.
b) to change the recognition and subsequent accounting requirements for contingent consideration.
c) to require that acquisition-related costs be accounted for separately from the business combination, generally leading to those costs being recognised as an expense in profit or loss as incurred.
d) in step acquisitions, previously held interests are to be remeasured to fair value at the date of the subsequent acquisition with the value included in goodwill calculation. Gain or loss arising from the re-measurement shall be recognised as part of profit or loss.
e) IFRS 3 (2008) requires the recognition of a settlement gain or loss when the business combination in effect settles a pre-existing relationship between the Group and the acquiree.

Amendments to IAS 1 Presentation of Financial Statements (as part of Improvements to IFRSs issued in 2010)

The amendments to IAS 1 clarify that an entity may choose to present the required analysis of items of other comprehensive income either in the statement of changes in equity or in the notes to the financial statements. The Group has applied the amendments in advance of their effective date. The amendments have been applied retrospectively.

b)Standards and Interpretations that are effective as of December 2010 but have no effect on the December 2010 financial statements:

Amendments to IFRS 5 Non-current Assets Held for Sale and Discontinued Operations (as part of Improvements to IFRSs issued in 2009)

The amendments to IFRS 5 clarify that the disclosure requirements in IFRSs other than IFRS 5 do not apply to non-current assets (or disposal groups) classified as held for sale or discontinued operations unless those IFRSs require:
a) specific disclosures in respect of non-current assets (or disposal groups) classified as held for sale or discontinued operations, or
b) disclosures about measurement of assets and liabilities within a disposal group that are not within the scope of the measurement requirement of IFRS 5 and the disclosures are not already provided in the consolidated financial statements

Amendments to IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* (as part of Improvements to IFRSs issued in 2008) clarify that all the assets and liabilities of a subsidiary should be classified as held for sale when the Group is committed to a sale plan involving loss of control of that subsidiary, regardless of whether the Group will retain a non-controlling interest in the subsidiary after the sale.

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

2.4 Amendments in the CMB Financial Reporting Standards (Continued)

b)Standards and Interpretations that are effective as of December 2010 but have no effect on the December 2010 financial statement (continued)s:

IAS 7 Cash Flow Table(A part of the improvements made in IFRS which is published in 2009)

The changes in IAS 7 standard specifies only the accounted expenditure in the financial position /balance sheet as assets and can be classified as cash flows from investment activities.The implementation of this change in IAS 7 changed the classification of development costs in cash flows which cannot satisfy the capitalization criterias in IAS 38 Intangible Assets Standard.

IFRIC 17, "Distributions of non-cash assets to owners", effective for annual periods beginning on or after 1 July 2009. This is not currently applicable to the Group, as it has not made any non-cash distributions.

IFRIC 18, "Transfers of assets from customers", effective for transfer of assets received on or after 1 July 2009. This is not relevant to the Group, as it has not received any assets from customers.

"Additional exemptions for first-time adopters" (Amendment to IFRS 1) was issued in July 2009. The amendments are required to be applied for annual periods beginning on or after 1 January 2010. This is not relevant to the Group, as it is an existing IFRS preparer.

IFRS 2, "Share-based Payments – Group Cash-settled Share Payment Arrangements" is effective for annual periods beginning on or after 1 January 2010. This is not currently applicable to the Group, as the Group does not have share-based payment plans.

As part of Improvements to IFRSs issued in 2010, IAS 28(2008) has been amended to clarify that the amendments to IAS 28 regarding transactions when significant influence over an associate is lost, the investor measures any investment retained in the former associate at fair value, with any consequential gain or loss recognised in profit or loss. IAS 28(2008) has been amended to clarify that the amendments to IAS 28 regarding transactions where the investor loses significant influence over an associate should be applied prospectively. The Group has no investments accounted by equity method.

Improvements to International Financial Reporting Standards 2009 were issued in April 2009. The improvements cover main standards/intepretations as follows: IFRS 2 *Share-based Payments*, IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*, IFRS 8 *Operating Segments*, IAS 1 *Presentation of Financial Statements*, IAS 7 *Statement of Cash Flows*, IAS 17 *Leases*, IAS 18 *Revenue*, IAS 36 *Impairment of Assets*, IAS 38 *Intangible Assets*, IAS 39 *Financial Instruments: Recognition and Measurement*, IFRIC 9 *Reassessment of Embedded Derivatives*, IFRIC 16 *Hedges of Net Investment in a Foreign Operation*. The effective dates vary standard by standard but most are effective 1 January 2010.

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

2.4 Amendments in the CMB Financial Reporting Standards (Continued)

(c) Standards and Interpretations that are not yet effective as of December 2010 and have not been early adopted by the Company:

IFRS 1 (amendments) ***First-time Adoption of IFRS – Additional Exemptions and Two Other Amendments***

Amendments to IFRS 1 which are effective for annual periods on or after 1 July 2010 provide limited exemption for first time adopters to present comparative IFRS 7 fair value disclosures.

On 20 December, IFRS 1 is amended to; provide relief for first-time adopters of IFRSs from having to reconstruct transactions that occurred before their date of transition to IFRSs , provide guidance for entities emerging from severe hyperinflation either to resume presenting IFRS financial statements or to present IFRS financial statements for the first time. The amendment above will be effective for annual periods beginning on or after 1 July 2011. These amendments are not relevant to the Group, as it is an existing IFRS preparer.

IFRS 7 ***Financial Instruments: Disclosures***

In October 2010, IFRS 7 *Financial Instruments: Disclosures* is amended by IASB as part of its comprehensive review of off balance sheet activities. The amendments will allow users of financial statements to improve their understanding of transfer transactions of financial assets (for example, securitizations), including understanding the possible effects of any risks that may remain with the entity that transferred the assets. The amendments also require additional disclosures if a disproportionate amount of transfer transactions are undertaken around the end of a reporting period. The amendment will be effective for annual periods beginning on or after 1 July 2011. The Group has not yet had an opportunity to consider the potential impact of the adoption of this revised standard.

IFRS 9 ***Financial Instruments: Classification and Measurement***

In November 2009, the first part of IFRS 9 relating to the classification and measurement of financial assets was issued by the International Accounting Standards Board (IASB). IFRS 9 will ultimately replace IAS 39 *Financial Instruments: Recognition and Measurement*. The standard requires an entity to classify its financial assets on the basis of the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset, and subsequently measure the financial assets as either at amortized cost or at fair value. The new standard is mandatory for annual periods beginning on or after 1 January 2013. The Group has not had an opportunity to consider the potential impact of the adoption of this standard.

IAS 12 ***Income Taxes***

In December 2010, IAS 12 "Income Taxes" standard is amended. IAS 12 requires an entity to measure the deferred tax relating to an asset depending on whether the entity expects to recover the carrying amount of the asset through use or sale. It can be difficult and subjective to assess whether recovery will be through use or through sale when the asset is measured using the fair value model in IAS 40 *Investment Property*. The amendment provides a practical solution to the problem by introducing a presumption that recovery of the carrying amount will, normally be , be through sale. The amendment will be effective for annual periods beginning on or after 1 January 2012. The Group has not yet had an opportunity to consider the potential impact of the adoption of this revised standard.

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

2.4 Amendments in the CMB Financial Reporting Standards (Continued)

IAS 24(Revised 2009) ***Related Party Disclosures***

In November 2009, IAS 24 "Related Party Disclosures" was revised. The revision to the standard provides government-related entities with a partial exemption from the disclosure requirements of IAS 24. The revised standard is mandatory for annual periods beginning on or after 1 January 2011. The Group has not yet had an opportunity to consider the potential impact of the adoption of this revised standard.

IAS 32(Amendments) ***Financial Instruments: Presentation*** **and IAS 1** ***Presentation of Financial Statements***

The amendments to IAS 32 and IAS 1 are effective for annual periods beginning on or after 1 February 2010. The amendments address the accounting for rights issues (rights, options or warrants) that are denominated in a currency other than the functional currency of the issuer. Previously, such rights issues were accounted for as derivative liabilities. However, the amendment requires that, provided certain conditions are met, such rights issues are classified as equity regardless of the currency in which the exercise price is denominated. The Group has not yet had an opportunity to consider the potential impact of the adoption of this amendment to the standard.

IFRIC 14 (Amendments) ***Pre-payment of a Minimum Funding Requirement***

Amendments to IFRIC 14 are effective for annual periods beginning on or after 1 January 2011. The amendments affect entities that are required to make minimum funding contributions to a defined benefit pension plan and choose to pre-pay those contributions. The amendment requires an asset to be recognized for any surplus arising from voluntary pre-payments made. The Group does not expect any impact of the adoption of this amendment on the financial statements.

IFRIC 19 ***Extinguishing Financial Liabilities with Equity Instruments***

IFRIC 19 is effective for annual periods beginning on or after 1 July 2010. IFRIC 19 addresses only the accounting by the entity that issues equity instruments in order to settle, in full or part, a financial liability. The Group has not yet had an opportunity to consider the potential impact of the adoption of this amendment to the standard.

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

(c) Standards and Interpretations that are not yet effective as of December 2010 and have not been early adopted by the Company (Continued):

IFRIC 14 (Amendments) *Pre-payment of a Minimum Funding Requirement*

Amendments to IFRIC 14 are effective for annual periods beginning on or after 1 January 2011. The amendments affect entities that are required to make minimum funding contributions to a defined benefit pension plan and choose to pre-pay those contributions. The amendment requires an asset to be recognized for any surplus arising from voluntary pre-payments made. The Group does not expect any impact of the adoption of this amendment on the financial statements.

IFRIC 19 *Extinguishing Financial Liabilities with Equity Instruments*

IFRIC 19 is effective for annual periods beginning on or after 1 July 2010. IFRIC 19 addresses only the accounting by the entity that issues equity instruments in order to settle, in full or part, a financial liability. The Group has not yet had an opportunity to consider the potential impact of the adoption of this amendment to the standard.

Annual Improvements May 2010

Further to the above amendments and revised standards, the IASB has issued Annual Improvements to IFRSs in May 2010 that cover 7 main standards/intepretations as follows: IFRS 1 *First-time Adoption of International Financial Reporting Standards*; IFRS 3 *Business Combinations;* IFRS 7 *Financial Instruments: Disclosures*; IAS 27 *Consolidated and Separate Financial Statements*; IAS 34 *Interim Financial Reporting* and IFRIC 13 *Customer Loyalty Programmes*. With the exception of amendments to IFRS 3 and IAS 27 which are effective on or after 1 July 2010, all other amendments are effective on or after 1 January 2011. Early adoption of these amendments are allowed. The Group has not yet had an opportunity to consider the potential impact of the adoption of these amendments to the standards.

NOTE 3 - BUSINESS COMBINATIONS

The details of the business combinations during the years ended 31 December 2010 and 2009 are as follows:

1 January – 31 December 2010

The Board of Directors decided to increase their capital upon the decision made prior to balance sheet date on 31 December 2009. In accordance with the decision, the Group's capital has decided to be increased to the TRY equivalent of EUR 385.000. The remaining part of the increase made in May 2010 is treated as the acquisition of non-controlling interests of a Doğan Yayın Holding subsidiary and the related amount is recognised under equity in accordance with IAS 27 (Revised), which is applicable for annual periods beginning subsequent to 1 July 2009. No goodwill is recognised. Accordingly, as a result of the transaction in May 2010 explained above, there has been an increase of TRY 54.891 in the non-controlling shares and a corresponding decrease in the equity attributable to equity holders of the Company.

Turner Doğan Produksiyon ve Satış A.Ş.

In December 2010, 50% shares of Turner Doğan Prodüksiyon ve Satış A.Ş., which was accounted as joint venture as 31 December 2009, are purchased by Doğan TV Holding A.Ş. in consideration of TRY 25 (Note 3). Following the purchase, Turner Doğan Prodüksiyon ve Satış A.Ş. is accounted for as a subsidiary of the Group. Goodwill resulted amounting to TRY 2.911 from the purchase transaction, is impaired and accounted for as an expense at 31 December 2010.

Ekin Radyo Televizyon A.Ş.

Doğan TV has acquired the shares of Ekin Radyo Televizyon as of 15 June 2010 for TRY 203. Goodwill of TRY 450 recognized as a result of the acquisition is impaired and accounted for as an expense at 31 December 2010.

1 January – 31 December 2009

Hürriyet, Doğan Gazetecilik and Doğan Burda

In 2009, Doğan Yayın Holding acquired 0,12% and 0,14% of the shares of Hürriyet and Doğan Gazetecilik, publicly traded subsidiaries, respectively in consideration of TRY 567. Doğan Yayın Holding applied the "Parent Company" model as its accounting policy for business combinations. Accordingly, since the value of the acquired net assets exceeds the acquisition price, the acquisition resulted in a gain amounting to TRY 677.

Other

Group purchased and consolidated 5,89%, 1,77%, 0,23% and 6,92% of the shares of Hürriyet, Doğan Yayın, Çelik Halat and Ditaş Doğan respectively during the period ended 31 December 2009. Since the Group has chosen "Parent Company Model" accounting policy for business combinations, negative goodwill amount of TRY 38.953 as a result of these transactions. This negative goodwill amount was accounted in "Other income" (Note 31).

NOTE 3 - BUSINESS COMBINATIONS (Continued)

1 January – 31 December 2009 (Continued)

Doğan TV

In accordance with the agreement signed on 19 November 2009, Doğan Yayın Holding shall make a TRY cash capital increase in Doğan TV that corresponds to EUR 385.000, and as a result of the capital increase, Doğan TV shares owned by Commerz-Film GmbH would be diluted to 19,9% from 25%.

Partial share sales or purchases of subsidiaries that are under the control of Doğan Yayın Holding (transactions with non-controlling interests) before 1 January 2010 were accounted for by using the "Parent Company" model. Accordingly, goodwill was calculated in the share purchase transactions. In the previous year, as a result of the 2,9% share acquisition of Doğan TV through the premium capital increase as explained above, the Group has recognised goodwill of TRY 117.517.

Doğan Teleshopping

As of 31 December 2008, 45% shares of Doğan Teleshopping, a joint venture of the Group, are purchased by Opal İletişim, in consideration of TRY 409 in October, 2009. Following the purchase, Doğan Teleshopping is accounted for as a subsidiary of the Group.

Goodwill resulted amounting to TRY 2.262 from the purchase transaction, is impaired and accounted for as an expense at 31 December 2009.

NOTE 4 - JOINT VENTURES

Joint Ventures of Doğan Holding are shown below. The countries the Joint Ventures are registered in, the nature of their businesses and the respective business segments of the Joint Ventures and Joint Venture Partners are as follows:

Joint Ventures	**Country**	**Nature of business**	**Segment**	**Joint venture partner**
Petrol Ofisi A.Ş. ("POAŞ")	Turkey	Distribution of petroleum products	Energy	OMV Aktiengesellschaft ("OMV")
Kıbrıs Türk Petrolleri Ltd. ("KIPET")	Turkish Republic of Northern Cyprus	Distribution of petroleum products	Energy	OMV
PO Petrofinance N.V. ("Petrofinance")	The Netherlands	Finance	Energy	OMV
PO Oil Financing Ltd. ("PO Oil Financing")	Cayman Islands	Finance	Energy	OMV
Erk Petrol Yatırımları A.Ş. ("Erk Petrol")	Turkey	Distribution of petroleum products	Energy	OMV
Petrol Ofisi Alternatif Yakıtlar Toptan Satış A.Ş. ("PO Alternatif Yakıtlar")	Turkey	Distribution of petroleum products	Energy	OMV
PO Georgia LLC ("PO Georgia")	Georgia	Distribution of petroleum products	Energy	OMV
Petrol Ofisi Akdeniz Rafinerisi Sanayi ve Ticaret A.Ş. ("PO Akdeniz Rafinerisi")	Turkey	Petroleum products	Energy	OMV
Petrol Ofisi Gaz İletim A.Ş. ("PO Gaz İletim")	Turkey	Distribution of natural gas	Energy	OMV
Petrol Ofisi Arama Üretim Sanayi ve Ticaret A.Ş. ("PO Arama Üretim")	Turkey	Establishing and operating rafinery	Energy	OMV
Marmara Depoculuk Hizmetleri Sanayi ve Ticaret A.Ş.("Marmara Depoculuk)	Turkey	Warehousing	Energy	OMV
ASPM Holding B.V.	The Netherlands	Investment	Media	Autoscout24 GmBh
LLC Autoscout24	Russia	Internet publishing	Media	Autoscout24 GmBh
Doğan Burda Dergi Yayıncılık ve Pazarlama A.Ş. ("DB")	Turkey	Magazine publishing	Media	Burda GmbH
DB Popüler Dergiler Yayıncılık A.Ş. ("DB Popüler")	Turkey	Magazine publishing	Media	Burda GmbH
Doğan ve Egmont Yayıncılık ve Yapımcılık Ticaret A.Ş. ("Doğan Egmont")	Turkey	Magazine publishing	Media	Egmont
Dergi Pazarlama Planlama ve Ticaret A.Ş. ("DPP")	Turkey	Planning	Media	Burda RCS Int. GmbH
Ultra Kablolu Televizyon ve Telekomünikasyon Sanayi ve Ticaret A.Ş ("Ultra Kablolu")	Turkey	Telecommunication	Media	Koç Holding A.Ş.
Eko TV Televizyon Yayıncılık A.Ş. ("TNT")	Turkey	TV broadcasting	Media	Turner Broadcasting Int.
Birey Seçme ve Değerlendirme Danışmanlık Ltd. Şti. ("Birey İK")	Turkey	Internet services	Media	Doğan Portal ve Elektronik Ticaret A.Ş.
Katalog Yayın ve Tanıtım Hizmetleri A.Ş. ("Katalog")	Turkey	Guide publishing	Media	Seat Pagine Gialle SPA
Tipeez İnternet Hizmetleri A.Ş.	Turkey	Internet publishing	Media	Tweege Holdings LP.
DD Konut Finansman A.Ş. ("DD Konut Finansman")	Turkey	Housing Finance	Other	Deutsche Bank AG
Aslancık Elektrik Üretim ve Ticaret Ltd. Şti. ("Aslancık Elektrik")	Turkey	Energy	Other	Doğuş Holding A.Ş. Unit Investment N.V.and Anadolu Endüstri Holding A.Ş.
D-Tes Elektrik Enerjisi Toptan Satış A.Ş. ("D Tes")	Turkey	Energy	Other	Doğuş Holding A.Ş. Unit Investment N.V.and Anadolu Endüstri Holding A.Ş.
Boyabat Elektrik Üretim ve Ticaret Ltd. Şti. ("Boyabat Elektrik")	Turkey	Energy	Other	Doğuş Holding A.Ş. Unit Investment N.V.
İsedaş İstanbul Elektrik Dağıtım Sanayi ve Ticaret A.Ş. ("İsedaş")	Turkey	Energy	Other	Tekfen İnşaat A.Ş and. Çukurova Holding A.Ş.
Gas Plus Khalakan Ltd. ("Gas Plus Khalakan")	Turkey	Energy	Other	Newage Alzarooni Limited
Gas Plus Erbil Ltd. ("Gas Plus Erbil")	Turkey	Energy	Other	Newage Alzarooni Limited

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NOTE 4 - JOINT VENTURES (Continued)

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

	Proportion of voting power held by Doğan Holding and its subsidiaries(%)		Proportion of voting power held by Doğan family members(%)		Total proportion of voting power held(%)		Total proportion of ownership interest (%)	
Company Name	**2010**	**2009**	**2010**	**2009**	**2010**	**2009**	**2010**	**2009**
POAŞ (1)	0,03	54,17	-	-	0,03	54,17	0,03	54,17
KIPET (1)	-	28,17	-	-	-	28,17	-	28,17
Petrofinance (1)	-	54,17	-	-	-	54,17	-	54,17
PO Oil Financing (1)	-	54,17	-	-	-	54,17	-	54,17
Erk Petrol (1)	-	54,15	-	-	-	54,15	-	54,15
PO Alternatif Yakıtlar (1)	-	54,15	-	-	-	54,15	-	54,12
PO Georgia (1)	-	54,17	-	-	-	54,17	-	54,17
Akdeniz Rafinerisi (1)	-	54,17	-	-	-	54,17	-	54,17
PO Gaz İletim (1)	-	54,04	-	-	-	54,04	-	54,04
PO Arama Üretim (1)	-	54,15	-	-	-	54,15	-	54,15
Marmara Depoculuk (1)	-	48,74	-	-	-	48,74	-	48,74
ASPM Holding B.V. (2)	51,00	-	-	-	51,00	-	22,02	-
LLC Autoscout24 (3)	51,00	-	-	-	51,00	-	22,02	-
DB	44,89	44,89	-	-	44,89	44,89	33,46	33,46
DB Popüler	44,87	44,87	-	-	44,87	44,87	33,44	33,44
Doğan Egmont	50,00	50,00	-	-	50,00	50,00	37,27	37,27
DPP	46,00	46,00	10,00	10,00	56,00	56,00	34,24	34,28
Ultra Kablolu (4)	50,00	50,00	-	-	50,00	50,00	37,27	37,27
TNT	75,04	75,04	-	-	75,04	75,04	44,58	41,68
Birey İK	50,00	50,00	50,00	50,00	100,00	100,00	26,37	26,37
Katalog (5)	50,00	50,00	-	-	50,00	50,00	37,27	37,27
Tipeez (6)	30,00	-	-	-	30,00	-	18,21	-
DD Konut Finansman	47,00	47,00	4,00	4,00	51,00	51,00	47,00	47,00
Aslancık Elektrik	33,33	25,00	-	-	33,33	25,00	33,33	25,00
D Tes	25,00	25,00	-	-	25,00	25,00	25,00	25,00
Boyabat Elektrik	33,00	33,12	-	-	33,00	33,12	33,00	33,12
İsedaş	45,00	40,00	-	-	45,00	40,00	45,00	40,00
Gas Plus Khalakan (7)	-	50,00	-	-	-	50,00	-	50,00
Gas Plus Erbil	50,00	50,00	-	-	50,00	50,00	50,00	50,00

(1) Doğan Holding transferred %54,14 of %54,17 shares owned by POAŞ to OMV as of 22 December 2010.The remaining %0,03 shares are accounted under the financial assets avaliable for sale. As a result of this sale transaction,together with its all subsidiaries,POAŞ is taken out of the consolidation scope (Note 1,Note 34,Note 41).
(2) The group has acquired the shares of the related joint venture as of 29 April 2010 by paying 31 Euro.
(3) The joint venture has been established on 29 April 2010.
(4) Operations have been terminated as of November, 2006.
(5) Operations have been terminated as of September, 2009.
(6) The Group participated to Tipeez İnternet Hizmetleri A.Ş ("Tipeez") on 16 April and as of 31 December 2010,it has been included to the scope of consolidation as a joint venture.
(7) The sale of share about the conversion of the model of company partnership to project partnership is completed and the formal approval about project partnership is expected.

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

NOTE 4 - JOINT VENTURES (Continued)

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

	31 December 2010	**31 December 2009**
Current assets	74.898	1.903.123
Non-current assets	404.210	2.402.102
Total assets	**479.108**	**4.305.225**
Current liabilities	81.457	1.637.417
Non-current liabilities	257.764	867.605
Equity	139.887	1.800.203
Total liabilities and equity	**479.108**	**4.305.225**

	2010	**2009**
Revenues	13.276	7.873.671
Gross profit	1.625	600.575
Net profit for the period	(3.506)	94.098

NOTE 5 - SEGMENT REPORTING

a) External revenues

	2010	**2009**
Media	2.616.584	2.432.465
Other	233.887	253.368
	2.850.471	**2.685.833**

b) (Loss)/profit before income taxes

	2010	**2009**
Media	(218.088)	(368.264)
Other	(64.217)	28.266
Discontinued operations elimination	1.546	657
	(280.759)	**(339.341)**

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NOTE 5 - SEGMENT REPORTING (Continued)

c) Segmental analysis for the one year period ended 31 December 2010;

	Media (*)	Energy	Other (*)	Inter segment elimination	Total
External revenues	2.616.584	-	233.887	-	2.850.471
Intra segment revenues	1.605.174	-	23.703	-	1.628.877
Inter segment revenues	3.586	-	17.804	-	21.390
Total revenues	**4.225.344**	**-**	**275.394**	**-**	**4.500.738**
Total cost of sales	**(3.224.397)**	**-**	**(266.671)**	**-**	**(3.491.068)**
Revenues	2.620.170	-	251.691	(21.390)	2.850.471
Cost of sales	(1.923.338)	-	(258.614)	3.514	(2.178.438)
Gross profit	**696.832**	**-**	**(6.923)**	**(17.876)**	**672.033**
Marketing, selling and distribution expenses	(371.792)	-	(14.242)	3.499	(382.535)
General administrative expenses	(315.756)	-	(70.533)	15.763	(370.526)
Research and development expenses	-	-	-	-	-
Other income/(expenses), net	(150.170)	-	(25.128)	241	(175.057)
Financial income	103.761	-	205.997	(197)	309.561
Financial expenses	(180.963)	-	(153.388)	116	(334.235)
(Loss)/profit before income taxes -before inter segment elimination	**(218.088)**	**-**	**(64.217)**	**1.546**	**(280.759)**
Profit after tax from discontinued operations	**-**	**964.219**	**-**	**(1.546)**	**962.673**

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

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NOTE 5 - SEGMENT REPORTING (Continued)

c) Segmental analysis for the one year period ended on 31 December 2009

	Media (*)	Energy	Other (*)	Inter segment elimination	Total
External revenues	2.432.465	-	253.368	-	2.685.833
Intra segment revenues	2.044.332	-	4.148	-	2.048.480
Inter segment revenues	2.686	-	20.618	-	23.304
Total revenues	**4.479.483**	**-**	**278.134**	**-**	**4.757.617**
Total cost of sales	**(3.806.341)**	**-**	**(260.560)**	**-**	**(4.066.901)**
Revenues	2.435.151	-	273.986	(23.304)	2.685.833
Cost of sales	(2.009.681)	-	(260.555)	4.701	(2.265.535)
Gross profit	**425.470**	**-**	**13.431**	**(18.603)**	**420.298**
Research and development expenses	-	-	-	-	-
Marketing, selling and distribution expenses	(300.212)	-	(9.969)	(2.081)	(312.262)
General administrative expenses	(295.658)	-	(55.066)	21.429	(329.295)
Other income/(expenses), net	(126.726)	-	30.289	(55)	(96.492)
Share of loss of investments accounted for by the equity method	-	-	(2.205)	-	(2.205)
Financial income	101.742	-	293.682	(208)	395.216
Financial expenses	(172.880)	-	(241.896)	175	(414.601)
(Loss)/profit before income taxes -before inter segment elimination	**(368.264)**	**-**	**28.266**	**657**	**(339.341)**
Profit after tax from discontinued operations	**-**	**111.929**	**-**	**(657)**	**111.272**

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

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NOTE 5 - SEGMENT REPORTING (Continued)

d) Segment assets

	31 December 2010	31 December 2009
Total assets		
Media	3.883.535	4.188.931
Discontinued operation	-	3.698.331
Other	4.187.100	1.673.395
	8.070.635	**9.560.657**
Less: segment elimination	(37.308)	(15.830)
Total assets per consolidated financial statements	**8.033.327**	**9.544.827**
Shareholder's Equity		
Media	1.246.119	1.378.965
Discontinued operation	-	1.575.562
Other	3.592.608	1.343.354
Total	**4.838.727**	**4.297.881**
Less: segment elimination	(974.183)	(823.776)
Shareholders' equity	**3.864.544**	**3.474.105**
Non-controlling interests	756.498	767.147
Total net shareholder's equity per consolidated financial statements	**4.621.042**	**4.241.252**

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NOTE 5 - SEGMENT REPORTING (Continued)

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

	2010	2009
Capital expenditures		
Media	144.345	256.436
Discontinued opearation	352.445	178.974
Other	135.519	124.205
Total	**632.309**	**559.615**
Amortizations		
Media	219.882	230.304
Discontinued opearation	154.677	141.191
Other	27.010	24.112
Total	**401.569**	**395.607**

f) Non-controlling interests

	31 December 2010			31 December 2009		
	Doğan Family	**Other**	**Total**	**Doğan Family**	**Other**	**Total**
Media	91.077	607.526	698.603	93.377	607.690	701.067
Discontinued operation	-	-	-	-	6.545	6.545
Other	6.920	50.975	57.895	6.900	52.635	59.535
	97.997	**658.501**	**756.498**	**100.277**	**666.870**	**767.147**

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NOTE 5 - SEGMENT REPORTING (Continued)

g) Non- Cash Expenses (net):

Non-cash expenses according to the segments are as follows:

	2010			
	Media	**Discontinued Operation**	**Other**	**Total**
Provision for tax penalties (Note 22)	7.200	-	5.093	12.293
Provision for doubtful receivables (Note 10)	41.490	-	14.602	56.092
Provision for employment termination benefits (Note 24)	24.526	-	3.738	28.264
Impairment of goodwill (Note 20)	29.030	-	-	29.030
Provision for unused vacation (Note 26)	14.393	-	13.104	27.497
Interest accrual	15.501	-	5.477	20.978
Provision for lawsuits (Note 22)	4.321	-	(687)	3.634
Impairment of tangible assets (Note 18)	-	-	17.857	17.857
Impairment of intagible assets(Note 19)	33.304	-	-	33.304
Impairment of inventories (Note 13)	393	-	(101)	292
Provision for impairment of programme stocks (Note 17)	-	-	35.296	35.296
	170.158	**-**	**94.379**	**264.537**

	2009			
	Media	**Discontinued Operations**	**Other**	**Total**
Provision for tax penalties	55.824	-	-	55.824
Provision for doubtful receivables (Note 10)	44.464	7.329	2.523	54.316
Provision for employment termination benefits (Note 24)	13.046	1.491	2.494	17.031
Impairment of goodwill (Note 20)	8.953	-	-	8.953
Provision for unused vacation	8.768	-	181	8.950
Interest accrual	8.521	-	-	8.521
Provision for lawsuits	8.158	-	259	8.417
Impairment of tangible assets	6.118	-	-	6.118
Impairment of inventories (Note 13)	3.544	-	262	3.806
Impairment of investment properties	3.405	-	-	3.405
Accrued interest expenses	-	1.220	-	1.220
Provision for impairment of programme stocks	1.185	-	153	1.338
	161.986	**10.040**	**5.872**	**177.899**

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

NOTE 6 - CASH AND CASH EQUIVALENTS

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

	31 December 2010	**31December 2009**
Cash	2.100	1.997
Banks		
- demand deposits	67.938	85.475
- time deposits	3.364.893	1.825.772
Blocked bank deposits	26.219	56.452
Reverse repurchase agreements	3.387	685
Liquid funds	-	84.804
Government bonds and treasury bills	-	454
	3.464.537	**2.055.639**

At 31 December 2010, interest rates for TRY time deposits are between 6,0% and 10,2% (31 December 2009: 0,50%-12%) and interest rates for foreign currency time deposits are between 0,20% and 3,90% (31 December 2009: 0,11%-5,25%) and maturity is less than 3 months.

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

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

	31 December 2010	**31 December 2009**	**31 December 2008**
Cash and cash equivalents	3.464.537	2.055.639	3.397.154
Accrued interest (-)	(5.708)	(20.923)	(14.448)
Cash and cash equivalents	**3.458.829**	**2.034.716**	**3.382.706**

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

NOTE 7 - FINANCIAL INVESTMENTS

a) Current financial investments

	31 December 2010	31 December 2009
Government bonds and treasury bills	82.904	18.363
Time deposits	89.782	113.963
Valuation of swap transactions (*)	110	22.346
Guarantee deposits for derivative transactions	-	8.456
Eurobond	-	37.651
Corporate bonds	-	15.098
Hedging foreign currency derivative instruments	-	22
Other	272	-
	173.068	**215.899**

(*) As of 31 December 2009, Group entered into swap contracts in order to be protected from the changes in foreign exchange (TRY / US Dollar) of the loan amounting to USD 165.000 and changes in interest rates of the loans amounting to USD 165.000 and EUR 795.

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

Available-for-sale financial assets	**31 December 2010**		**31 December 2009**	
	TRY	**%**	**TRY**	**%**
Ray Sigorta (**)	25.084	10	-	-
	25.084		**-**	**-**

(**) The transfer of shares which represent 10% of the nominal capital of Ray Sigorta amounting to TRY 137.070 is completed on 2 February 2011. Within the total number of 1.370.698.561 shares with a nominal value of 1Kr. each, 2 shares are transferred to TBIH Financial Services Group N.V. (TBIH) and 1.370.698.559 shares (represent %10"-1" share) are transferred to Vienna Insurance Group AG Wiener Versicherung Gruppe (VIG) in total consideration of 22.907 US Dollar. The Group has no shares in Ray Sigorta following the related share transfer.

Related disposal transaction is determined before the consolidated financial statements are publicly announced and therefore Ray Sigorta, is reclassified under "short-term financial investments" in the consolidated balance sheet dated 31 December 2010, was presented under "long-term financial investments" in the previous periods.

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

NOTE 7 - FINANCIAL INVESTMENTS (Continued)

b) Non-current financial investments

	31 December 2010	31 December 2009
Available-for-sale financial assets	8.314	27.567
	8.314	**27.567**

Available-for-sale financial investments	31 December 2010 TRY	%	31 December 2009 TRY	%
Marbleton Property Fund L.P ("Marbleton")	15.443	9	14.908	9
Aks Televizyon Reklamcılık ve Filmcilik Sanayi ve Ticaret A.Ş. ("Aks TV")	2.923	9	2.923	9
POAŞ (*)	1.269	0,03	-	-
Ray Sigorta	-	-	20.083	10
Diğer	444	-	669	-
Less: provision for impairment (**)	(11.765)		(11.016)	
	8.314		**27.567**	

(*) After the removal of restriction on shares, "Restricted shares" which correspond to 0,03% of POAŞ's capital (calculated as 192.500 shares in the current period) 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 31 December 2010, 192.500 shares that Group owns are recognized at fair value, which is calculated by using the market price of shares.

(**) As of 31 December 2010, avaliable for sale financial assets except POAŞ (31 December 2009: Ray Sigorta) are carried at the cost value. There are TRY 8.842 and TRY 2.923 impairment on Marbleton and Aks TV, respectively (31 December 2009: TRY 8.093 and TRY 2.923).

Movement of the provisions for non-current avalaible-for-sale financial assets are as follows:

	2010	2009
As of 1 January	11.016	8.329
Increase in provisions	749	2.687
31 December	**11.765**	**11.016**

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

NOTE 8 – FINANCIAL LIABILITIES

Short term financial liabilities:	**31 December 2010**	**31 December 2009**
Short-term bank borrowings	596.544	395.178
Short-term portion of long-term borrowings	392.445	921.184
Interest bearing payables to suppliers	26.563	25.787
Financial lease liabilities	8.789	12.436
	1.024.341	**1.354.585**

Long term financial liabilities:	**31 December 2010**	**31 December 2009**
Long-term bank borrowings	841.217	1.230.967
Financial liabilities related with options	163.468	151.300
Interest bearing payables to suppliers	54.991	77.615
Financial lease liabilities	26.000	13.441
	1.085.676	**1.473.323**

i) Borrowings

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

	31 December 2010			**31 December 2009**		
	TRY	**Foreign currency**	**Total**	**TRY**	**Foreign currency**	**Total**
Short-term borrowings						
Short-term borrowings	269.188	327.356	596.544	231.105	164.073	395.178
Short-term portion of long-term borrowings	8.287	384.158	392.445	69.002	852.182	921.184
Total short-term borrowings	**277.475**	**711.514**	**988.989**	**300.107**	**1.016.255**	**1.316.362**

	31 December 2010			**31 December 2009**		
	TRY	**Foreign currency**	**Total**	**TRY**	**Foreign currency**	**Total**
Long-term borrowings						
Long-term borrowings	22.196	819.021	841.217	231.654	999.313	1.230.967
Total long-term borrowings	**22.196**	**819.021**	**841.217**	**231.654**	**999.313**	**1.230.967**

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

NOTE 8 - FINANCIAL LIABILITIES (Continued)

i) Borrowings (Continued)

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

Years	31 December 2010	31 December 2009
2011	-	513.664
2012	265.437	515.936
2013	333.732	152.420
2014	79.740	48.947
2015 and after	162.308	-
	841.217	**1.230.967**

Weighted average of effective interest rates for TRY, USD and EUR short-term borrowings are 11%, 4% and 4%, respectively (31 December 2009: 13%, 5% and 4%).

Weighted average of effective interest rates for TRY, USD and EUR long-term borrowings are 10%, 4% and 3%, respectively (31 December 2009: 13%,5% and 3%).

At 31 December 2010, the amount of borrowings with floating interest rates is TRY 1.458.188 (31December 2009: TRY 1.543.285).

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

Hürriyet, a subsidiary of the Group, obtained a long-term bank borrowing in order to partially finance the acquisition of TME shares in 2007. Hürriyet has to meet general commitments and financial covenants with respect to these long-term borrowings. The Group has to maintain a net debt ratio on the basis of EBITDA and shareholders' equity identified by the bank for the last 12 months consolidated financial statements.

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

The Group has given guarantees amounting to 33.649.091 shares, which represents %67,3 of TME to financial institutions in regards to long term loans (31 December 2009: 33.649.091 shares).

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

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

NOTE 8 - FINANCIAL LIABILITIES (Continued)

i) Borrowings (Continued)

In connection with the long term bank loans used by OOO Pronto Moscow, the Group has some obligations for financial and operational commitments and liabilities against the bank. Under the same loan agreement, OOO Pronto Moscow has given a royalty pledge of TRY 215.878 in regards to one of its rights namely “IZ RUK V RUKI” ("*Из рук в руки*").

Share pledges

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

ii) Financial liabilities related with options

Doğan Gazetecilik’s, one of the subsidiaries of Doğan Yayın Holding, 22.000.000 shares each having par value of TRY 1, which correspond to 22% of Doğan Gazetecilik’s issued capital amounting to TRY 78.000, are sold to Deutsche Bank AG during the capital raise to TRY 100.000 on 19 November 2007 in the ISE Wholesale Market in consideration of USD 4,0 per share (initial price) (TRY 4,73), by putting a restriction over the existing shareholders’ share purchase rights.

There are put and call option agreements between Doğan Yayın Holding and Deutsche Bank AG upon the shares of Doğan Gazetecilik. According to the call option agreement, Doğan Yayın Holding has the call option from Deutsche Bank AG for 21.945.000 shares of Doğan Gazetecilik, and according to the put option agreement, Deutsche Bank AG has the put option to Doğan Yayın Holding for 23.100.000 shares of Doğan Gazetecilik. Maturities of both agreements are 5 years 3 months and end at 19 February 2013. It is possible to use the call option after 19 November 2010. In this case, shares that are subject to call option will be measured based on the price calculations that will be made at the exercise date of call options.

Since Doğan Yayın Holding has a liability of giving another entity cash or another financial asset (in the case the put option is exercised by Deutsche Bank AG) as a result of the put option agreement mentioned above, USD 88.000 is presented as a financial liability in the consolidated financial statements. As per the put option agreement, the put option exercise price will be calculated by considering the initial price and the interest rate of 6,46%.

iii) Finance lease liabilities:

The Group acquired property, plant and equipment through finance leases. As at 31 December 2010 total lease payment commitments of the Group relating to such lease agreements amount to TRY 34.789 (2009: TRY 25.877).

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

NOTE 8 - FINANCIAL LIABILITIES (Continued)

iii) Financial leasing payables(Continued)

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

	31 December 2010	31 December 2009
2011	-	7.060
2012	6.644	3.359
2013	6.731	1.923
2014	6.897	986
2015 and after	5.728	113
	26.000	**13.441**

iv) Interest bearing payables to suppliers:

Interest bearing payables to suppliers are related to the machinery and equipment purchases of Hürriyet, a subsidiary of the Group. Effective interest rates of short and long-term trade payables in USD, EUR, CHF are 0,8%, 1,6% and 1,2%, respectively (31 December 2009: USD 1,3%, EUR 1,5%, CHF 1,4%).

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

	31 December 2010	31 December 2009
2011	-	24.973
2012	26.013	24.650
2013	22.940	21.626
2014	6.038	6.366
	54.991	**77.615**

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

	31 December 2010	31 December 2009
Up to 6 months	81.421	103.121
6-12 months	133	281
Total	**81.554**	**103.402**

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

NOTE 9 – OTHER FINANCIAL LIABILITIES

The details of other financial liabilities at 31 December 2010 and 2009 is as follows:

Other short-term financial liabilities	**2010**	**2009**
Financial liabilities due to put options (Note 22.b.i)	52.481	17.810
Short term coupon payment of long term bond (*)	2.232	-
Factoring liabilities	2.150	-
Interest swap transactions	5.694	1.753
Foreign currency swap transactions	3.928	-
Interest rate swap transactions	65	162
Fair value hedge transaction accruals	-	10
	66.550	**19.735**

Other long-term financial liabilities	**2010**	**2009**
Financial liabilities due to put options (Note 22.b.i)	217.240	742
Treasury bills	21.453	-
	238.693	**742**

(*) These liabilities are related to bonds, amounting to TRY 50.000, of DD Mortgage,a joint venture, which are issued on 21 July 2010 and with 3 years maturity and 3 months fixed rate (nominal rate of interest: 9,92%).

NOTE 10 - TRADE RECEIVABLES AND PAYABLES

Short-term trade receivables	**31 December 2010**	**31 December 2009**
Trade receivables, net of unearned finance income	801.237	1.033.948
Notes receivables and cheques, net of unearned finance income	48.553	273.603
Total	**849.790**	**1.307.551**
Less: provision for doubtful receivables (-)	(193.662)	(222.119)
	656.128	**1.085.432**

Long-term trade receivables	**31 December 2010**	**31 December 2009**
Trade receivables, net of unearned finance income	88.563	66.353
Notes receivables and cheques, net of unearned finance income	365	1.990
	88.928	**68.343**

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NOTE 10 - TRADE RECEIVABLES AND PAYABLES (Continued)

Movement of the provisions for doubtful receivables is as follows:

	2010	2009
1 January	222.119	176.879
Increase in provision (Note 31)	42.834	46.987
Provisions of discontinued operations during the year	13.258	7.329
Collections and cancelled provision	(15.031)	(8.559)
Business combinations	-	(265)
Currency translation differences	(773)	(252)
Transfer of joint venture interest	(68.745)	-
31 December	**193.662**	**222.119**

Short-term trade payables	**31 December 2010**	**31 December 2009**
Trade payables, net of unincurred credit finance charges (*)	384.534	1.251.302
Notes payable, net of unincurred credit finance charges	9.062	4.921
Other	1.552	744
	395.148	**1.256.967**

Long-term trade payables	**31 December 2010**	**31 December 2009**
Trade payables,net of unincurred credit finance charges(*)	1.114	316.844
	1.114	**316.844**

(*) There are letter of credits, purchased from several banks, of POAŞ, joint venture of the Group, in short and long-term trade payables due to fuel purchases. The non-interest bearing letters of credit amounts to TRY 593.984 and TRY 316.562, effective interest rates used for long-term and short-term non-interest bearing letters of credit are 2,97%and 3,87% respectively.

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

Year	**31 December 2010**	**31 December 2009**
2012	1.114	316.562
2013 and after	-	282
	1.114	**316.844**

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

NOTE 11 – OTHER RECEVIABLES AND PAYABLES

Other short-term receivables	2010	2009
Deposits and guarantees given	679	3.426
Special Consumption Tax ("ÖTV") Exemption (*)	-	7.231
Other miscellaneous receivables (**)	13.312	5.675
	13.991	**16.332**

Other long-term receivables		
Deposits and guarantees given	1.819	1.784
Other miscellaneous receivables	307	762
	2.126	**2.546**

(*) Consists of unused portion of exemption certificates received by POAŞ, consolidated as a joint venture until the date of 22 December 2010, for delivery of goods exempt from special consumption tax to embassies and oil exploration companies and some military institutions.

(**) As of 31 December 2010, TRY 10.728 of the other receivables consists of the receivables from other shareholders of joint ventures.

Other short-term liabilities	2010	2009
Taxes and withholding payables	55.900	220.372
Payables to personnel	10.758	8.772
Order advances received	6.022	18.387
Deposits and guarantees received	149	1.113
Other	7.711	10.320
	80.540	**258.964**

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

NOTE 11 – OTHER RECEIVABLES AND PAYABLES (Continued)

	2010	2009
Other long-term liabilities		
Advances received (*)	40.050	39.122
Payables to Public Waterworks Administration ("DSİ") (**)	21.740	18.934
Deposits and guarantees received	12.591	12.131
Other long-term liabilities	3.519	1.189
	77.900	**71.376**

(*) TRY 38.650 (USD 25.000) in the total advances received amount is the advance received for the joint venture agreement of Eko TV signed between DTV Holding A.Ş. and Turner Broadcasting System International Inv. ("Turner") at 7 July 2007. The advance was paid for a call option granted in the name Turner for the 25% of the shares of Eko TV. The call option could only be exercised when RTÜK regulation permits the transfer of the shares. The revised RTÜK law enacted on 3 March 2011 permits such transfer. If Turner could not exercise the call option until 2017, the Group is liable to pay back the advance payment.

(**) Payables to DSİ result from the takeover of construction investments and water using right of Boyabat Hydroelectric Power Plant from DSİ by Boyabat Elektrik, one of the joint ventures of Group.

NOTE 12 – RECEIVABLES AND PAYABLES FROM FINANCIAL SECTOR OPERATIONS

None (2009: None).

NOTE 13 - INVENTORIES

	2010	2009
Short-term inventories		
Finished goods and merchandise	128.718	477.765
Raw materials and supplies	70.848	73.460
Semi-finished goods	7.748	41.354
Promotion stocks	14.515	16.959
Other inventories	3.273	36.975
	225.102	**646.513**
Less: provision for impairment on inventories	(8.923)	(9.365)
	216.179	**637.148**

As of 31 December 2009, other inventories mainly consist of fuels and lubricants in transit.

Borrowing cost amounting to TRY 3.238 is capitalized on inventories (2009: TRY 870).

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

NOTE 13 – INVENTORIES (Continued)

Movement of impairment of inventories as of 31 December is as follows:

	2010	**2009**
1 January	9.365	42.201
Current year charge	4.495	3.806
Share transfer of joint venture	(734)	-
Provision released	(4.203)	(36.642)
31 December	**8.923**	**9.365**

	2010	**2009**
Long-term inventories		
Finished goods and merchandise	17.941	110.713
	17.941	**110.713**

NOTE 14 - BIOLOGICAL ASSETS

As of 31 December 2010, biological assets amount to TRY 25 (2009: TRY 40).

NOTE 15 - CONSTRUCTION CONTRACT RECEIVABLES AND PROGRESS BILLING

Group has no construction contract receivables and construction progress billings (2009: None).

NOTE 16 - INVESTMENTS ACCOUNTED FOR BY THE EQUITY METHOD

None.

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

NOTE 17 – INVESTMENT PROPERTY

	1 January 2010	Additions	Disposals	Transfer (1)	Provision for impairment	31 December 2010
Cost:						
Land and land improvements	30.972	-	(931)	91.854	(39.134)	82.761
Buildings	78.623	17.022	(21.461)	-	3.838	78.022
	109.595	17.022	(22.392)	91.854	(35.296)	160.783
Accumulated Depreciation:						
Land and land improvements	161	-	-	-	-	161
Buildings	16.851	2.266	(295)	-	-	18.822
	17.012	**2.266**	**(295)**	**-**	**-**	**18.983**
Net book value	**92.583**					**141.800**

	1 January 2009	Additions	Disposals	Transfer (2)	Provision for impairment	31 December 2009
Cost:						
Land and land improvements	30.972	-	-	-	-	30.972
Buildings	63.414	36.907	(19.643)	1.111	(3.166)	78.623
	94.386	36.907	(19.643)	1.111	(3.166)	109.595
Accumulated Depreciation:						
Land and land improvements	159	2	-	-	-	161
Buildings	15.844	1.420	(413)	-	-	16.851
	16.003	**1.422**	**(413)**	**-**	**-**	**17.012**
Net book value	**78.383**					**92.583**

(1) Transfer amounting to TRY 91.854 is reclassificaiton to investment property of a land, that was in the assets of D Yapı Romanya, one of the subsidiries of Group, that disclosed under inventories until 31 December 2009. The said real estate is 55.849 m², and TRY 39.134 of impairment is accounted according to expertise report dated 12 February 2011.

(2) Transfers amounting to TRY 1.111 is related to tangible assets (Note 18).

There is not any collateral and mortgage on investment property of the Group. The Group has rent income amounting to TRY 4.625 from investment properties (2009: TRY 4.267).

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

NOTE 18 - PROPERTY, PLANT AND EQUIPMENT

Movement of the tangible assets for periods ended as of 31 December 2010 and 2009 is as follows:

	1 January 2010	Additions	Disposals	Transfer of joint venture interest	Transfers(1)	Currency translation differences	Consolidation rate change effect	Provision for impairment	31 December 2010
Cost:									
Land and land improvements	290.469	816	(565)	(136.935)	2.555	(488)	-	(11.894)	143.958
Buildings	414.268	1.964	(7.464)	(164.484)	4.289	(621)	-	-	247.952
Machinery and equipment	1.426.786	11.853	(14.421)	(345.356)	3.989	(2.810)	581	-	1.080.622
Motor vehicles	108.447	20.798	(14.366)	(7.619)	273	(3)	-	-	107.530
Furniture and fixtures	302.241	48.149	(21.941)	(17.598)	1.057	(9)	52	-	311.951
Leasehold improvements	390.824	3.959	(68.281)	(471.268)	236.281	(56)	4	-	91.463
Other fixed assets	400.255	3.544	(6.343)	(431.360)	43.451	-	-	-	9.547
Construction in progress	100.181	453.364	(706)	(67.517)	(283.363)	-	1.294	(5.963)	197.290
	3.433.471	**544.447**	**(134.087)**	**(1.642.137)**	**8.532**	**(3.987)**	**1.931**	**(17.857)**	**2.190.313**
Accumulated depreciation:									
Land and land improvements	52.573	14.418	(407)	(61.837)	-	-	-	-	4.747
Buildings	106.272	10.829	(2.091)	(17.298)	-	(100)	-	-	97.612
Machinery and equipment	1.064.632	71.025	(13.137)	(301.057)	-	(1.569)	178	-	820.072
Motor vehicles	60.436	16.102	(11.268)	(6.362)	-	45	-	-	58.953
Furniture and fixtures	207.579	33.965	(15.098)	(12.411)	-	65	15	-	214.115
Leasehold improvements	154.577	45.860	(36.366)	(99.535)	-	(23)	-	-	64.513
Other fixed assets	176.495	31.799	(3.049)	(204.274)	-	-	-	-	971
	1.822.564	**223.998**	**(81.416)**	**(702.774)**	**-**	**(1.582)**	**193**	**-**	**1.260.983**
Net book value	**1.610.907**								**929.330**

(1) Transfer amounting to TRY 14.002 is related to advances given. Transfer amounting to TRY 5.471 is related to tangible assets (Note 19).

Amounting to TRY 13.589 borrowing costs are capitilized over tangible assets (2009: TRY 3.601).

As of 31 December 2010, depreciation charge of TRY 477 is on inventory.

As of 31 December 2010, net book value of Group's tangible assets obtained by finance leasing are TRY 62.161 (31 December 2009: TRY 37.697). The accumulated depreciation is TRY 17.718 at 31 December 2010 (31 December 2009: TRY 19.776).

31 December 2010, mortgages on property, plant and equipment amounts to TRY 25.113 (Note 23) (2009: TRY 24.392).

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

NOTE 18 - PROPERTY, PLANT AND EQUIPMENT(Continued)

	1 January 2009	Additions	Disposals	Transfers (1)	Currency translation differences	Provision for impairment	31 December 2009
Cost:							
Land and land improvements	253.197	33.360	(1.225)	5.110	27	-	290.469
Buildings	413.778	20.974	(20.333)	130	(281)	-	414.268
Machinery and equipment	1.381.658	21.514	(10.490)	33.854	250	-	1.426.786
Motor vehicles	109.309	5.212	(6.316)	258	(16)	-	108.447
Furniture and fixtures	258.206	50.334	(6.292)	6.267	(1)	(6.273)	302.241
Leasehold improvements	376.416	4.138	(20.916)	31.620	1	(435)	390.824
Other fixed assets	351.987	4.971	(2.082)	45.379	-	-	400.255
Construction in progress	67.823	171.602	(12.443)	(125.922)	(17)	(862)	100.181
	3.212.374	**312.105**	**(80.097)**	**(3.304)**	**(37)**	**(7.570)**	**3.433.471**
Accumulated depreciation:							
Land and land improvements	41.559	11.429	(415)	-		-	52.573
Buildings	107.431	10.737	(11.751)	-	(145)	-	106.272
Machinery and equipment	998.337	75.449	(8.997)	-	(157)	-	1.064.632
Motor vehicles	50.064	15.123	(4.611)	-	(140)	-	60.436
Furniture and fixtures	185.647	25.511	(2.604)	-	(341)	(634)	207.579
Leasehold improvements	133.442	38.429	(17.229)	-	10	(75)	154.577
Other fixed assets	151.155	25.612	(272)	-	-	-	176.495
	1.667.635	**202.290**	**(45.879)**	**-**	**(773)**	**(709)**	**1.822.564**
Net book value	**1.544.739**						**1.610.907**

(1) Transfers amounting to TRY 1.111 are related to investment property (Note 17) and transfers amounting to TRY 2.193 are related to intangible assets (Note 19).

At 31 December 2010, mortgages on property, plant and equipment amounts to TRY 25.113 (31 December 2008: TRY 20.661).

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NOTE 19 - INTANGIBLE ASSETS

Movement for intangible assets and related amortization for the years ended at 31 December 2010 and 2009 are as follows:

	1 January 2010	Additions	Disposals	Transfer of joint venture interest	Transfers(*)	Currency translation differences	Consolidation rate change effect	Provision for impairment	31 December 2010
Cost:									
Dealer contracts	499.191	-	-	(499.191)	-	-	-	-	-
Brand names of energy segment	139.557	-	-	(139.557)	-	-	-	-	-
Customer contracts	40.844	-	-	(40.844)	-	-	-	-	-
Customers list	267.302	-	-	-	-	2.430	-	-	269.732
Brand names of media segment (**)	433.141	924	-	-	-	87	-	(33.304)	400.848
Tenestrial broadcasting permission and license	80.906	-	-	-	-	-	-	-	80.906
Mining exploration licences	18.200	-	-	(17.610)	(590)	-	-	-	-
Other	390.020	23.338	(4.060)	(35.092)	6.061	614	(7.457)	-	373.424
	1.869.161	**24.262**	**(4.060)**	**(732.294)**	**5.471**	**3.131**	**(7.457)**	**(33.304)**	**1.124.910**
Accumulated amortization:									
Dealer contracts	311.284	43.636	-	(354.920)	-	-	-	-	-
Customer contracts	34.459	2.853	-	(37.311)	-	(1)	-	-	-
Customers list	45.141	15.983	-	-	-	501	-	-	61.625
Brand names of media segment	14.193	1.232	-	-	-	99	-	-	15.524
Mininig expolaration licences	5.071	6.880	-	(11.951)	-	-	-	-	-
Other	243.316	35.640	(3.853)	(13.897)	-	(650)	18	-	260.574
	653.464	**106.224**	**(3.853)**	**(418.079)**	**-**	**(51)**	**18**	**-**	**337.723**
Programme rights	95.756								72.148
Net book value	**1.311.453**								**859.335**

Movement for programme rights in 2010:

	1 January 2010	Additions	Disposals	Amortisation	Currency translation differences	Programme rights and provisions for impairment	31 December 2010
Programme rights	95.756	46.578	-	(69.081)	(1.105)	-	72.148

(*) Transfers amounting to TRY 5.471 are related to tangible assets (Note 18).

(**) As of 31 December 2010, Group has liens amounting to TRY 215.878 over the rights of name within the context of loan agreement Impairment analysis of intangible assets with infinite useful lives is evaluated with the goodwill impairment analysis of the items with the same cash generating units. Assumptions used in the impairment analysis are presented in note 20 and the Group has provided TRY 33.304 of impairment in the financial statements based on these assumptions.

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

NOTE 19 – INTANGIBLE ASSETS(Continued)

	1January 2009	Additions(*)	Disposals	Transfers (**)	Currency translation differences	31 December 2009
Cost:						
Dealer contracts	499.191	-	-	-	-	499.191
Brand names of energy segment	139.557	-	-	-	-	139.557
Customer contracts	40.844	-	-	-	-	40.844
Customer list	274.414	-	-	-	(7.112)	267.302
Brand names of media segment	440.239	-	-	-	(7.098)	433.141
Terrestrial broadcasting permission and license	57.406	23.500	-	-	-	80.906
Other	321.950	102.755	(19.551)	2.193	873	408.220
	1.773.601	**126.255**	**(19.551)**	**2.193**	**(13.337)**	**1.869.161**
Accumulated amortization:						
Dealer contracts	258.058	53.226	-	-	-	311.284
Customer contracts	30.010	4.449	-	-	-	34.459
Customer list	29.422	16.053	-	-	(334)	45.141
Brand names of media segment	10.672	3.565	-	-	(44)	14.193
Other	208.672	46.143	(6.551)	-	123	248.387
	536.834	**123.436**	**(6.551)**	**-**	**(255)**	**653.464**
Programme rights	80.994					95.756
Net book value	**1.317.761**					**1.311.453**

Movement for programme rights in 2009:

	1 January 2009	Additions	Disposals	Amortisation	Currency translation differences	Programme rights and provision for impairment	31 December 2009
Programme rights	80.994	84.348	(59)	(68.459)	117	(1.185)	95.756

(*) The amounts of Gas Plus Khalakan and Gas Plus Erbil oil research licences are TRY 15.301 and TRY 45.482 respectively. At 3 August 2009, CNN Türk has bought terrestrial broadcasting permissions and licenses for TRY 23.500 from a broadcasting company (Note 20).

(**) Transfers amounting to TRY 2.193 are related to tangible assets (Note 18).

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NOTE 19 - INTANGIBLE ASSETS (Continued)

Intangible assets with indefinite useful lives

As at 31 December 2010, the Group has determined that a part of brand names with carrying value of TRY 252.507 have indefinite useful lives (2009: TRY 286.386). As of 31 December 2009 value of trademark that belong to energy segment is TRY 139.557.It has determined that mentioned above trademarks useful life is unlimited. The utilization period of brand names with indefinite useful lifes, 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.

Since terrestrial frequencies are limited in Turkey, new national broadcasting companies are not allowed to operate on terrestrial frequencies as of 1994 and national broadcasting companies still continue to broadcast under their current businesses. The Turkish Radio and Television Supreme Council ("RTÜK") has not yet conducted a tender for terrestrial broadcasting permission and licenses (frequency rights). The subsidiaries of Doğan Yayın Holding operating in the media segment currently do not have any conflicts or disagreements with RTÜK or any other governmental authority regarding the frequency usage. Therefore, it has been concluded that TRY 80.906 of terrestrial broadcasting permissions and licenses (frequency rights) have an indefinite useful life (2009: TRY 80.906).

NOTE 20 - GOODWILL

Movement of the goodwill for the periods ended as of 31 December 2010 and 2009 is as follows:

	2010	**2009**
1 January	1.715.569	1.612.165
Business combinations (Note 3)	3.361	119.779
Currency translation differences	2.639	(5.757)
Transfer of joint venture interest (Note 41)	(797.085)	-
Impairment of goodwill (Note 31)	(29.030)	(8.953)
Other (*)	1.199	(1.665)
31 December	**896.653**	**1.715.569**

(*) The changes in fair value of put options are shown as other. (Note 2.2.28).

NOTE 20 – GOODWILL (Continued)

31 December 2009

As stated in Note 3 in detail, as a result of the capital increase with premium in previous period amounting to a total of TRY 432.079, Doğan Yayın Holding has acquired 2,9% of shares of Doğan TV. As the result of the acquisition, the Group recognised TRY 117.517 of goodwill in its financial statements.
As of 31 December 2008, 45% shares of Doğan Teleshopping, a joint venture of the Group, are purchased by Opal İletişim, in consideration of TRY 409 in October, 2009. Following the purchase, Doğan Teleshopping is accounted for as a subsidiary of the Group. Goodwill resulted amounting to TRY 2.262 from the purchase transaction, is impaired and accounted for as an expense at 31 December 2009.

Goodwill impairment test

Discontinued operations

As of December 31, 2010, there is no goodwill amount related to the discontinued operations. In the financial statements dated December 31, 2009, for the purpose of impairment analysis related with the goodwill amount of discontinued operations, the Group prepares cash flow projections in USD based on the latest financial budget which is approved by the management. In preparing cash flows, for the next five years 5% per annum and for subsequent years zero percent per annum estimated growth rate was used. Group used a rate of 10,36% in order to discount cash flow projections. As a result of assessment, the recoverable amount of goodwill exceeded its carrying amount and there is no impairment as of 31 December 2009.

Media Operation

The Group is making the goodwill impairment test of media segment at the cash flow projections of visual and audio broadcastings which produce the lowest value of cash flow. As of 31 December 2010, cash flow projections of media segment have been prepared as covering the years 2011-2015 by using the EBITDA average of 35,18 %, the cash flows are brought to the present value by taking on discount with an interest rate of 14%.

NOTE 21 - GOVERNMENT GRANTS

The subsidiary of the Group, Hürriyet, obtained six Investment Incentives Certificate for the imported equipments amounting to USD 25.035 and domestic equipments amounting to TRY 151.800 due to the modernization of its printing plants in Istanbul, Ankara, Izmir, Adana, Antalya and Trabzon on 23, 27 and 31 July 2008. The agreements are valid for two years and equipment imported within the scope of the certificate is exempt from Customs Duty, Collective Housing Fund and VAT. The investments amounted to USD 19.213 and TRY 151.800 are realized within these certificates as at 31 December 2010 (31 December 2009: USD 18.964). Investment incentives (except Trabzon) amounting to USD 24.130 are extended till 19 June – 3 July 2011. Document taken for Trabzon has been cancelled due to giving up from the investment amounting nearly USD 1.032.

Ditaş,a subsidiary of the Group,benefits from the tax and insurance premium incentive under the scope of law 5084 Investment and Employment Promotion and Amending some laws. In this context, the incentive of the insurance premium amounting TRY 477 (31 December 2009: TRY 466) is reflected in the financial statements as income from other operations (Note 31). As of 31 December 2010, Ditaş does not have any receivables from energy expenses in the scope of incentive (31 December 2009:TRY 63)

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NOTE 22 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

Short-term provisions	**31 December 2010**	**31 December 2009**
Provision for tax penalty	33.522	32.447
Provision for withholding tax	28.102	24.995
Provision for lawsuits	27.386	45.260
Advertisement expense accruals	-	7.669
	89.010	**110.371**

Long-term Provisions	**31 December 2010**	**31 December 2009**
Other provisions	-	1.406
	-	**1.406**

The movements of provisions for tax penalties for the periods ended 31 December are as follows:

	2010	**2009**
1 January	32.447	2.656
Additions (Note 31)	15.171	32.447
Reversals	(2.878)	(2.656)
Payments related with provisions	(11.218)	-
31 December	**33.522**	**32.447**

Advertisement expense accruals are related to the advertisement liabilities assumed by Doğan TV due to the acquisition of Star TV Ticari ve İktisadi Bütünlüğü.

	2010	**2009**
1 January	7.669	11.528
Additions (Note 31)	(7.669)	1.068
Payments/reversals related with provisions	-	(4.927)
31 December	**-**	**7.669**

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NOTE 22 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)

The movements of provisions for lawsuits for the periods ended 31 December are as follows

	2010	2009
1 January	45.260	31.573
Additions (Note 31)	4.441	18.525
Payments/reversals related with provisions	(913)	(4.838)
Disposal from joint ventures	(21.402)	-
31 December	**27.386**	**45.260**

The movements of provisions for withholding taxes for the periods ended 31 December are as follows:

	2010	2009
1 January	24.994	20.905
Additions (Note 31)	3.095	4.089
31 December	**28.089**	**24.995**

(a)* Tax penalty and law suits*:

Doğan Holding – tax penalty and law suits

As a result of the tax investigations made by the Revenue Controllers of the Ministry of Finance for the years 2005,2006,2007 and 2008, TRY 18.173 of tax charge consisting of Corporation Tax, Value Added Tax, Withholding Tax and Stamp duty and TRY 43.407 of tax loss penalty are served to the Group on 24 December 2010, and as of 29 December 2010, a settlement has been made before the assessment. In accordance with the settlement, parties agreed on the TRY 10.664 of total tax amount consisting of TRY 6.773 of tax charge and TRY 3.891 of default interest for all periods reviewed in the assessment. On 30 March 2011, as a result of the application filed based on Law No: 6111 "Restructuring of some receivables and Social Security and General Health Insurance Law and Other Law Amending Certain Laws and Decrees", the related tax amount of TRY 7.971 reassessed and will be paid on 31 May 2011. As of 31 December 2010, TRY 7.971 of provision is provided in the consolidated financial statements and the provision amount is accounted under the "other operating expenses" account in the consolidated statement of income.

Doğan Yayın Holding – tax penalty and law suits

Accounting periods covering Doğan Yayın Holding's 2003, 2004, 2005 and 2006 fiscal years have been subject to tax inspection. According to the tax inspection reports issued, tax charges and penalties at an aggregate amount of TRY 862.388 consisting an actual tax charge of TRY 149.103 and tax penalty of TRY 713.285 imposed and notified to the Group in December 2008 and February 2009.

NOTE 22 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)

Doğan Yayın Holding – tax penalty and law suits(Continued)

In the tax inspection reports, the following subjects were criticized according to corporate tax, value added tax (VAT) and stamp tax laws, in summary:

a- Although the shares representing the 25% of Doğan TV's paid capital, one of the subsidiaries of Doğan Yayın Holding, are sold to Dreiundvierzigste Media Vermögengsverwaltungsgesellschaft mbH (new name Commerz-Film GmbH), a 100% subsidiary of Axel Springer AG, and the transfer of shares completed on 2 January 2007 and accounted for accordingly, it was claimed that Doğan TV cannot benefit from the "exemption on the sales revenue of participation shares" as specified by Article 5/1-e of Corporate Tax Law due to the argument that the sale transaction was completed in 2006 and the related transaction would have been accounted in the 2006's financial statements. The levied tax penalty charge amounts to TRY 772.507 in total consisting TRY 115.300 of actual tax charges, TRY 345.900 of tax penalty charges calculated as triple on the corporate tax, and TRY 311.307 of tax loss penalty charges calculated as triple on the temporary tax due to the overdue of the deduction period.

b- It was claimed that interests and foreign currency differences of loans used for the share acquisition (finance expenses) cannot be deductable from corporate income in accordance with the last paragraph of Article 8 of Corporate Tax Law No: 5422 and such expenses should be included in corporate income in the tax inspection period. In this respect actual tax charges together with penalty charges in relation to the related claim amounted to TRY 31.781 in total.

c- It was claimed in the tax assessment report that loss resulted from the share sale of Doğan Raks Satış Pazarlama ve Dağıtım A.Ş. could not be deducted from the corporate income as the related transaction was not recognised appropriately and such expenses should be included in corporate income in accordance with Turkish Procedural Law. The actual tax charges together with penalty charges regarding to this argument amounted to TRY 13.700 in total.

d- Provisional Article No: 10 of Value Added Tax Law No: 3065 with reference to Corporate Tax Law No: 5422 denotes that for the financial periods subject to tax inspection, Value Added Tax exemption cannot be used on sale of subsidiary shares under the above-mentioned requirement of the article; therefore, Value Added Tax should be calculated for the sale of subsidiary shares that should be treated as subsidiary shares in accordance with Value Added Tax Law even though such shares are represented by shares and do not meet the exemption criteria specified in Provisional Article 28 of the Corporate Tax Law No. 5422 and Provisional Article No. 10 of Value Added Tax Law. The actual tax charges together with the penalty amounted to TRY 28.300 in total.

e- The actual tax charges together with penalty charges regarding stamp tax, other corporation tax and value added tax claims amounted to TRY 16.100 in total.

Doğan Yayın Holding has started legal action and filed lawsuits against the Tax Administration Department ("Tax Administration") for the cancellation of these tax charges and penalties complete remaining amount.

The Tax Administration has asked for collateral in the amount of TRY 914.800 against the significant portion of the tax charges, the penalties and their interest. Accordingly, the Group gave 36,14 % of shares in one of its subsidiaries, Doğan TV to the Tax Administration as a collateral.

Furthermore, in addition to the bank accounts of Doğan Yayın Holding, the Tax Administration has put shares of the Group's subsidiaries representing 66,56% of capital in Hürriyet Gazetecilik ve Matbaacılık A.Ş.(367.415.960 number of shares), 70,76% of capital in Doğan Gazetecilik (74.297.743 number of shares) and 44,89% of the capital of the Groups' joint venture Doğan Burda Dergi Yayıncılık ve Pazarlama A.Ş. (8.779.736 number of shares) and 36,14% of the capital of Doğan TV Holding A.Ş. (164.998.528 number of shares) under sequestration.

NOTE 22 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)

Doğan Yayın Holding – tax penalty and law suits(Continued)

The legal objections made by Doğan Yayın Holding against the request of "collateral" and the "sequestrations of the Tax Administration" are made to the Council of State in January 2010 by Doğan Yayın Holding and the legal case closed in favor of Doğan Yayın Holding and the execution of the sequestration was suspended.

The court trial in connection with the lawsuit brought against the Tax Administration in an attempt to cancel the actual tax charges and tax penalty declarations regarding the 2003, 2004, 2005 and 2006's fiscal periods submitted to Doğan Yayın Holding was made on 22 January 2010 whereas it was originally scheduled on 10 November 2009 because of the recusation demand of the Tax Administration and the majority of the lawsuits, resulted in favor of Doğan Yayın Holding.

Accordingly, the legal case related to the cancellation of the tax assessments amounting to TRY 772.507 comprising the actual tax charges amounting to TRY 115.300 and tax penalty amounting to TRY 657.207 in connection with the sale of Doğan TV shares to a subsidiary of Axel Springer AG (Commerz-Film GmbH) was concluded in favor of Doğan Yayın Holding in February 2010.

The Tax Court concluded some legal cases against Doğan Yayın Holding for some of them in favor and some of other cases were suspended. Doğan Yayın Holding has appealed the cases concluded against the Company.

Besides, Doğan Yayın Holding has initiated legal proceedings and filed lawsuits for the cancellation of the tax assessments in connection with the 2003 fiscal period (TRY 15.700 actual tax charge and TRY 19.500 tax penalty). Tax court has made a decision on the lawsuits and some of the lawsuits are resulted as "partially accepted" and some of them are "partially denied" and related rulings are appealed, including the right of appeal for the stay of execution that are related to Corporate Tax and Advanced Corporate Income Tax.For lawsuits that are filed for VAT amounts attributable to 2003, the tax court's decision on the lawsuits are resulted as "accepted", "partially accepted" and "partially denied". Doğan Yayın Holding has appealed for the lawsuits finalized against Doğan Yayın Holding and on the other hand, the Tax Administration appealed the rulings for lawsuits that are resulted in favor of Doğan Yayın Holding.

Major part of the lawsuits that are finalized in favor of Doğan Yayın Holding are related to Corporate Tax and VAT assessments; the related lawsuits are appealed by the Tax Administration. Doğan Yayın Holding has also appealed for the lawsuits resulted against the Company, including the motion for stay of execution.

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NOTE 22 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)

Doğan Yayın Holding – tax penalty and law suits(Continued)

As of the report date, the latest status of the litigation cases of Doğan Yayın Holding A.Ş. is summarized in the table below:

Result of lawsuit	Tax Court Decision	Appealed in the Council of State	Overruled by the Council of State	Approved by the Council of State	Still under discussion in the Council of State
Resulted in favor of Doğan Yayın Holding	814.221	814.221	-	783.226	30.995
Resulted against Doğan Yayın Holding	17.612	17.612	-	13.485	4.127
Ongoing lawsuits (Pending)	30.555	-	-	-	-
Total	**862.388**	**831.833**	**-**	**796.711**	**35.122**

Doğan Yayın Holding A.Ş., has made payments amounting to TRY 5.259 total regarding the lawsuits resulted against Doğan Yayın Holding including overdue interest.as of the report date.

There is no ongoing tax examination of Doğan Yayın Holding except for the ones explained above.

Based on the requirements explained in Note 2.3.1, Doğan Yayın Holding has provided TRY 14.859 of provision in the consolidated financial statements for the interim period ended as of 31 December 2010 in relation to the related lawsuits (31 December 2009: TRY 16.895).

Hürriyet Gazetecilik ve Matbaacılık A.Ş. – Tax penalties and lawsuits

Part of the lawsuits amounting to TRY 4.436 filed by Hürriyet Gazetecilik ve Matbaacılık A.Ş. related to the cancellation of tax charges/ fine notifications amounting to TRY 30.895 which were related with 2004, 2005, 2006 fiscal periods, were concluded against Hürriyet Gazetecilik ve Matbaacılık A.Ş.

Hürriyet Gazetecilik ve Matbaacılık A.Ş. was served with a tax/fine notification of TRY 7.311, including the late payment interest and judgment duty. It was paid on 26 August 2010 and necessary legal objections for the appeal of the case with the superior court was made in due time. The Council of State suspended these charges amounting to TRY 7.311 following the appeal made by Hürriyet Gazetecilik ve Matbaacılık A.Ş. and still continues to discuss the merits of the cases.

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

NOTE 22 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)

Hürriyet Gazetecilik ve Matbaacılık A.Ş. – Tax penalties and lawsuits (Continued)

In relation with the parts which were concluded partially against and partially in favor of Hürriyet Gazetecilik ve Matbaacılık A.Ş., TRY 2.802 has been concluded in favor and TRY 1.235 has been concluded against Hürriyet Gazetecilik ve Matbaacılık A.Ş. for the tax principal totally amounting to TRY 4.037; TRY 4.821 has been concluded in favor and TRY 1.235 has been concluded against Hürriyet Gazetecilik ve Matbaacılık A.Ş. for the tax loss penalty totally amounting to TRY 6.056. For the lawsuit amounting to TRY 2.471, which has been concluded against Hürriyet Gazetecilik ve Matbaacılık A.Ş., necessary legal objections for the appeal of the case with the superior court made in due time. For the tax principal amounting to TRY 2.802 and tax loss penalty amounting to TRY 4.821 concluded partially in favor of Hürriyet Gazetecilik ve Matbaacılık A.Ş. has been subject to appeal by the Tax Office and Superior court partially suspended the charges for the tax principal amounting to TRY 1.027 and tax loss penalty amounting to TRY 1.027. Superior court still continues to discuss the merits of these cases.

The part of the lawsuits filed by Hürriyet Gazetecilik ve Matbaacılık A.Ş. related to the cancellation of tax charges/ fine notifications amounting to TRY 3.654, comprising of a tax principal of TRY 1.462 and a tax loss penalty of TRY 2.192, were concluded in favor of Hürriyet Gazetecilik ve Matbaacılık A.Ş. on 15 October 2010.

For the part total of TRY 12.711 comprising of TRY 5.018 of tax principal and TRY 7.693 of tax loss penalty of the same notifications, regarding the notices served to Hürriyet Gazetecilik ve Matbaacılık A.Ş. by the relevant Tax Department, the court hearing of the objections made with the tax courts have not been held yet.

In accordance with the opinions of legal counsels and specialists, Hürriyet management has accounted a provision amounting to TRY 7.294 related to the tax principal and tax loss penalty at tax inspection reports including estimated late payment interests in the consolidated financial statements as at 31 December 2010.

As of the report date, with results of litigations and payment notices reaching to Hürriyet and court cases related to the recent situation is summarized in the table below:

	Tax	**Penalty**	**Total**	**Paid (****)**
Against to Hürriyet (*)	3.010	3.897	6.906	6.907
In favor of Hürriyet (**)	4.264	7.014	11.278	-
Lawcases not held (***)	5.018	7.692	12.711	-
Total	**12.292**	**18.603**	**30.895**	**6.907**

(*) Council of State accepted the objection of Hürriyet Gazetecilik ve Matbaacılık A.Ş. to stop the enforcement related to the law cases amounting to TRY 4.886 and suspended the execution. Case based on the merits is still continuing.

(**) Objection made by Tax Administration is evaluated by Council of State and the State Council stopped the enforcement amounting to TRY 2.055 in against Hürriyet Gazetecilik ve Matbaacılık A.Ş. Case based on the merits is still continuing.

(***) Lawsuit has not been held yet.

(****) Payment amount is TRY 11.440 including late payment interest and judgment fee.

There is no tax examination in Hürriyet Gazetecilik ve Matbaacılık A.Ş. except for the ones explained above.

NOTE 22 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)

Doğan TV Holding – Tax penalties and lawsuits

As an outcome of the tax inspections held in the Group's subsidiaries, Doğan TV Holding A.Ş. (Doğan TV), D Yapım Reklamcılık ve Yapım A.Ş. (D Yapım), Doğan Prodüksiyon Hizmetleri A.Ş. (Doğan Prodüksiyon) and Alp Görsel İletişim Hizmetleri A.Ş. (Alp Görsel) for the 2005, 2006 and 2007 fiscal periods, tax penalty notification amounting to TRY 3.980.027, consisting of TRY 1.878.441 of actual tax charge and TRY 2.101.586 of tax penalty, has been charged and served to the related subsidiaries in September 2009.

As a result, the following tax matters were claimed to be in non-compliance with corporate income tax and value added tax ("VAT") treatments in the tax assessments:

a- It has been claimed that share transfer transactions between Doğan TV, D Yapım, Doğan Prodüksiyon and Alp Görsel were not in compliance with Articles 19 and 20 of the Corporate Tax Law and such share transfers were regular share acquisitions citing that the management control did not change as a result of such share transfers. In this respect, it is claimed that such share transfers would have been carried at fair value rather than the book value, and as a result, a corporate tax base difference was calculated over the difference between the fair value and book value determined in the tax assessment report. Actual tax charges amounting to TRY 706.875 and tax penalties amounting to TRY 790.044 (TRY 1.496.919 in aggregate) have been claimed as a result of this assessment.

b- VAT penalty is calculated based on the fair value determined in the tax assessment report in relation to the alleged regular share transfers. According to this claim, the company is charged with TRY 2.575.207 in total (TRY 1.179.366 of actual VAT charge and TRY 1.395.841 of tax loss penalty).

In connection with the actual tax charges and tax loss penalties mentioned above, the tax authorities have requested TRY 4.824.000 as collateral; considering TRY 1.174.000 of overdue interest.

Doğan TV, D Yapım and Doğan Prodüksiyon, as subsidiaries of the Group, have filed a demand for collaterals by the Tax Administration with a stay of execution request. Within this period, D Yapım, Doğan Prodüksiyon and Alp Görsel's shares and 43 properties belonging to third parties and 1 bank letter of guarantee had been given as "collaterals".

Tax Administration has put liens on the entire shares of D Yapım, Doğan Prodüksiyon and Alp Görsel.

Doğan TV, D Yapım, Doğan Prodüksiyon and Alp Görsel requested settlement negotiations after the tax assessment for the declared tax assessments. Settlement negotiations made in November 2009 were concluded with disagreement.

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

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NOTE 22 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)

Doğan TV Holding – Tax penalties and lawsuits(Continued)

Lawsuits filed for the cancellation of request for collateral by the Tax Administration of the related companies at the first tax court were concluded in favor of D Yapım but against Doğan TV, Doğan Prodüksiyon and Alp Görsel. The related companies made objections to the Council of State regarding the decisions issued by the first tax courts. For lawsuits filed against Doğan TV, Doğan Prodüksiyon and Alp Görsel for stay of execution have been approved by the Council of State.

The Tax Administration's sequestration lawsuit filed against Doğan TV which amounts to TRY 2.121.800, was concluded in favor of Doğan TV; however, another lawsuit filed amounting to TRY 42.594 was concluded against Doğan TV and file for stay of execution for the relating lawsuit is approved by the Council of State. The Tax Administration's sequestration lawsuit filed against D Yapım was concluded in favor of D Yapım; whereas the lawsuit filed against Doğan Prodüksiyon was concluded against Doğan Prodüksiyon. Collateral provision is given for the file for stay of execution but no collateral is provided yet.

The lawsuits which are filed against the Tax Court in relation to the cancellation of tax charges and penalties issued for Doğan TV, D Yapım, Doğan Prodüksiyon and Alp Görsel for the 2005, 2006 and 2007 periods are finalized. Accordingly, some of the lawsuits are resulted "in favor" of and some of them are resulted "against" the related companies. Some of the lawsuits are still "pending". The lawsuit which resulted in favor of Doğan TV is related to the Corporate Tax Assessment with the claim of provision of financial services; the other lawsuit which resulted in favor of D Yapım is related to the 50% of increase on the tax charge; and another lawsuit which resulted in favor of Doğan Prodüksiyon is related to the VAT assessment and those lawsuits are appealed by the Tax Office. The Council of State has approved the ruling of Court of First Instance in relation to the lawsuit resulted in favor of Doğan Prodüksiyon and overruled the lawsuits resulted against Doğan TV, D Yapım and Alp Görsel.

A As of the report date, the lawsuits related to Doğan TV, D Yapım, Doğan Prodüksiyon ve Alp Görsel are summarized in the table below:

Doğan TV

Result of lawsuit	**Tax Court Decision**	**Appealed in the Council of State**	**Overruled by the Council of State**	**Approved by the Council of State**	**Still under discussion in the Council of State**
Resulted in favor	334.236	334.236	-	2.389	331.847 (*)
Resulted against	1.630.913	1.630.913	1.301.356	-	329.557 (*)
Ongoing lawsuits (pending)	35.884	-	-	-	-
Toplam	**2.001.033**	**1.965.149**	**1.301.356**	**2.389**	**661.404**

(*) The amount resulted against, but still discussed in the state of Council (TRY 321.004) is related to a tax penalty about witholding corporate tax charge of the year 2006 which was previously resulted in favor of the Tax Court (TRY 321.004).

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

NOTE 22 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)

Doğan TV Holding – Tax penalties and lawsuits(Continued)

D Yapım

Result of lawsuit	Tax Court Decision	Appealed in the Council of State	Overruled by the Council of State	Approved by the Council of State	Still under discussion in the Council of State
Resulted in favor	222.864	222.864	-	222.804	60
Resulted against	891.217	891.217	891.217	-	-
Ongoing lawsuits (pending)	-	-	-	-	-
Total	**1.114.081**	**1.114.081**	**891.217**	**222.804**	**60**

Doğan Prodüksiyon

Result of lawsuit	Tax Court Decision	Appealed in the Council of State	Overruled by the Council of State	Approved by the Council of State	Still under discussion in the Council of State
Resulted in favor	862.972	862.972	-	862.912	60
Resulted against	-	-	-	-	-
Ongoing lawsuits (pending)	-	-	-	-	-
Toplam	**862.972**	**862.972**	**-**	**862.912**	**60**

Alp Görsel

Result of lawsuit	Tax Court Decision	Appealed in the Council of State	Overruled by the Council of State	Approved by the Council of State	Still under discussion in the Council of State
Resulted in favor	60	-	-	-	60
Resulted against	1.881	1.881	1.881	-	-
Ongoing lawsuits (pending)	-	-	-	-	-
Total	**1.941**	**1.881**	**1.881**	**-**	**60**

Under the legal processes summarized in the above table, no payment has been made to any of the Tax Offices as there are no lawsuits resulted against Doğan TV, D Yapım, Doğan Prodüksiyon and Alp Görsel as of the report date.

NOTE 22 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)

Doğan TV Holding – Tax penalties and lawsuits(Continued)

Doğan TV Holding A.Ş. , its subsidiaries and joint ventures do not have any ongoing tax examinations except for the ones explained above.

In relation to the lawsuits regarding Doğan TV, D Yapım, Doğan Prodüksiyon and Alp Görsel, Doğan TV did not account for any provision in the consolidated financial statements for the year ended 31 December 2010 based on the principles specified in Note 2.3.1 (31 December 2009: None).

Doğan TV Digital Platform İşletmeciliği – Tax penalties and lawsuits

Doğan TV Digital Platform İşletmeciliği, one of the subsidiaries of Doğan Yayın Holding A.Ş., was served with a TRY 4.674 of actual tax charge and tax penalty with respect to the 2007 Special Communication Tax Investigation Report. The Company has brought for an action for rescission for the related administrative act at the Tax Courts of Istanbul. One of the lawsuits were resulted in favor of and eleven lawsuits were resulted against the Company and the Company filed for an appeal for the unfavorable outcome of the Tax Court. Total tax charge and tax penalty filed for the unfavorable outcome of the lawsuit amounts to TRY 4.035. The Company paid TRY 15 for the rejected lawsuit. Total tax charge and tax penalty cancelled amounts to TRY 639.

In the current period, Doğan TV Digital Platform İşletmeciliği has no tax assessments other than those explained above.

In accordance with the principles set out in Note 2.3.1., the Group Management has provided a provision of TRY 4.020, (less TRY 15 paid for the above lawsuits) for the related lawsuits in the consolidated financial statements as of 31 December 2010 (31 December 2009: None).

Doğan Dış Ticaret ve Mümessillik A.Ş. and Işıl İthalat İhracat Mümessillik A.Ş. – Tax penalties and lawsuits

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

In the issued tax inspection reports, TRY 14.200 of actual tax charge and TRY 42.600 of tax loss penalty were calculated as 3 times of corporate tax charge and those charges were served to Doğan Dış Ticaret and Işıl İthalat İhracat. In October 2010, Doğan Dış Ticaret and Işıl İthalat İhracat were served with TRY 3.915 of tax loss penalty calculated as 3 times of the actual tax charge amounting to TRY 1.305 in relation to the 2007 accounting period.

Except for the above mentioned tax assessments, Doğan Dış Ticaret and Işıl İthalat İhracat have no ongoing tax assessments.

The Company has filed a lawsuit for the cancellation of the tax charge and tax penalty issued by the respective Tax Court. The lawsuits in relation to the Corporate Tax and Advanced Corporate Income Tax of Doğan Dış Ticaret for the 2006 period and the lawsuits in relation to the Corporate Tax and Advanced Corporate Income Tax of Işıl İthalat İhracat for the 2007 period are pending. In relation to the related lawsuits, the Group management has not provided any provision in the consolidated financial statements for the year ended as of 31 December 2010 based on the principles specified in Note 2.3.1 (31 December 2009: None).

NOTE 22 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)

Doğan Gazetecilik A.Ş. – Tax penalty and lawsuits

As of 11 December 2009, the Company had reached an agreement and reconciled with the tax administration before the tax assessment in relation to the TRY 10.092 of actual tax charge and TRY 11.158 of tax loss penalty and TRY 172 of special irregularity penalty imposed in the Tax Review Reports of the Company as of 25 November 2009 for the 2004, 2005, 2006 and 2007 accounting periods. Accordingly, the actual tax charge and penalty were calculated as TRY 4.466 and special irregularity fine was cancelled. At 11 January 2010, the Company made a total payment of TRY 8.833 which consists of TRY 4.466 of the actual tax charge and penalty and TRY 4.368 of overdue interest to the respective tax authorities.

In regards to the tax notification which was served to Doğan Gazetecilik on 26 December 2008 relating to the 1 January 2003-31 December 2003 accounting period and amounting to TRY 948 of actual tax charge (actual charge and penalty), no agreement was made with Doğan Gazetecilik after the tax assessment made on 12 January 2010. The lawsuits filed for the cancellation of the tax charge and tax penalty issued are resulted partially in favor of and partially against the Company and the outcomes of those lawsuits are communicated to Doğan Gazetecilik A.Ş.. Accordingly, the lawsuit resulted against Doğan Gazetecilik A.Ş. amounts to TRY 725 (TRY 280 of tax charge and TRY 445 of tax penalty). The Company made an objection by the Council of State in relation to the lawsuits that are resulted against the Company, including the motion for stay of execution. The Council of State approved the objection made in regards to the lawsuit amounting to TRY 725 and ruled for the stay of execution.

The agreed TRY 1.391 of tax charge notification consisting TRY 1.035 of the actual tax charge and TRY 356 of overdue interest, which was previously served by the Revenue Administration Department of Ministry of Finance for the 2008 accounting period, was paid to the respective Tax Administration as of 30 June 2010 providing that the related amount shall be written off against the Company's tax assets. There is no ongoing tax examination in Doğan Gazetecilik A.Ş.except for the ones explained above.

In relation to the related lawsuits, the Group management didn't account for any provision in the consolidated financial statements for the year ended 31 December 2010 based on the principles specified in Note 2.3.1 (31 December 2009: None).

In relation to the related lawsuits, other legal rights, including the options given in accordance with the Law No: 6111 "Restructuring of Specific Receivables and Social Insurance and General Health and Amendments to Some Laws and Requirements", continue to be assessed. The actual amounts and provisions provided in the consolidated financial statements may differ based on the upcoming developments.

NOTE 22 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)

Petrol Ofisi A.Ş. – tax penalty and law suits

As a result of the tax inspection conducted on the accounts of POAŞ, a joint venture of the Group, for the year 2003, tax/penalty notifications including TRY 12.828 (with Doğan Holding's ownership interest TRY 6.949) of original tax liability and a TRY 30.093 (with Doğan Holding's ownership interest TRY 16.303) of tax penalty have been communicated to the Group on 25 December 2008 by the Bogaziçi Corporate Tax Office. Settlement negotiations about related income tax and tax penalty with Ministry of Finance Revenue Administration realised on 24 November 2009 based on Tax Procedure Law and concluded in disagreement, therefore lawsuit has been filed as of 9 December 2009. Some of the lawsuits were resulted in favor of the Company covering TRY 2.208 (with Doğan Holding's ownership interest TRY 1.196) tax and TRY 3.312 (with Doğan Holding's ownership interest TRY 1.794) tax penalty on 11 January 2011. These decisions were appealed to the Council of State by Boğaziçi Corporate Tax Office. The judicial process for the remaining part of the tax and tax penalties continues.

Tax/penalty notifications for the years 2003-2007 including a TRY 9.917 (with Doğan Holding's ownership interest TRY 5.372) of original tax liability and TRY 13.810 of tax penalty (with Doğan Holding's ownership interest TRY 7.482), which are sent out by Bogaziçi Corporate Tax Office and Large Taxpayers Tax Office with respect to the inspection reports prepared in relation to the investigation carried out by the tax inspectors of the Ministry of Finance, have been communicated to POAŞ on 22-23 July 2008. A lawsuit was filed at the Istanbul Tax Court with respect to the mentioned inspection reports and tax/penalty notifications on 11 September 2008. The tax court ruled in favor of POAŞ in all cases, assessed tax and penalty were annulled by Tax Court. The appellate authority of the Council of State has decided in favor of the Company for 49 of 50 lawsuits.

Uncertainty over the judicial process and final decision of the Energy segment court cases continues as of the announcement date of the consolidated financial statements for the year ended December 31, 2010. Accordingly, no provision has been provided for the above matters in the accompanying financial statements.

Share transfers of Doğan Holding's shares in POAŞ (Note 4) is completed on 22 December 2010, therefore Group has no liability about related law suits and penalties as of 31 December 2010.

(b) Law Cases:

Law cases against the Group amounting to TRY 83.487 as of 31 December 2010 (31 December 2009: TRY 72.292).

A provision for lawsuits amounting to TRY 27.386 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 2009: TRY 45.260). Legal cases mainly consist of pecuniary and non-pecuniary damages and lawsuits initiated by the Radio and Television Supreme Council.

NOTE 22 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)

(c) Commitments and contingent liabilities related to the Commerz-Film GmbH shares sales agreement

Doğan Yayın Holding, the subsidiary of the Group, sold 90.854.185 shares, 25% of the paid-in capital of Doğan TV, to Commerz-Film GmbH (formerly registered as Dreiundvierzigste Media Vermögengsverwaltungsgesellschaft mbH), a 100% subsidiary of Axel Springer A.Ş., in consideration of EUR 375.000 (TRY 694.312) (this amount is defined as "initial sale price") on 2 January 2007. According to the agreement, the initial sale price will be revised based on the "initial public offering" ("IPO") of Doğan TV.

Upon the agreement signed between Doğan Holding, Doğan Yayın Holding, Doğan TV and Commerz-Film GmbH on 19 November 2009, the timing of the recalculation of the initial sale prices is postponed for a four-year period without reservations.

Certain conditions of the agreement signed on 19 November 2009 mentioned below are effective as of 19 February 2010.

- Axel Springer Group has the sales options for 3,3% of its shares in Doğan TV amounting to EUR 50.000 subsequent to January 2013 and the other 3,3% of its shares amounting to EUR 50.000 subsequent to January 2014 to Doğan Holding and Doğan Holding has the commitment to purchase these shares. Axel Springer Group may exercise the sales options fully or partially.
- Axel Springer Group has an option to sell some or all of its shares in Doğan TV either at EUR 4,1275 (full) or the highest fair value to be determined per share by using specific valuation techniques and Doğan Holding has a commitment to purchase these shares. In order to exercise this option, the following conditions must be met:
    - Doğan TV shares should not be offered to public by 30 June 2017,
    - There should be direct or indirect control change over Doğan Holding, Doğan Yayın Holding or Doğan TV,
    - There should be guarantees or sequestration on the Doğan Yayın Holding's assets that have significant unfavorable effects on the operations of Doğan Yayın Holding in addition to the existing ones.

The initial price of EUR 375.000 defined in the agreement mentioned above will be revised depending on the "initial public offering" of Doğan TV as follows.

In the event that shares of Doğan TV are offered to public by 30 June 2017, if the fair value of 25% (currently 19,9%) of shares held by Axel Springer Group determined by the public offering price (which will be determined using the three-month average share price after the offering) is higher than the initial sale price including the interest calculated from this difference (it will be calculated using the annual Euro Libor rates on annual compound basis effective from 2 January 2007), the difference will be equally apportioned between Doğan Yayın Holding and Axel Springer. If the fair value is lower, the difference will be paid to Axel Springer Group by Doğan Yayın Holding.

NOTE 22 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)

(c) Commitments and contingent liabilities related to the Commerz-Film GmbH shares sales agreement(Continued)

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

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

Doğan Yayın Holding has determined the current fair value of Doğan TV as of the balance sheet date in order to identify whether it has any future financial liability as further discussed in Note 2.3.1 d.

No financial liability has been identified for the sale of 19,9 % of shares in Doğan TV to Axel Springer AG.

Axel Springer Group has the sales options for 3,3% of its shares in Doğan TV amounting to EUR 50.000 subsequent to January 2013 and the other 3,3% of its shares amounting to EUR 50.000 subsequent to January 2014 to Doğan Holding and Doğan Holding has the commitment to purchase these shares. Axel Springer Group may exercise the sales options fully or partially. In regards to the purchase commitment of Axel Springer Group which amounts to EUR 100.000, IAS 32 "*Financial Instruments: Disclosure and Presentation*" requires the presentation of a liability at amortized cost as a financial liability in the balance sheet, irrespective of the Group's ability to settle some of the portion of the liability in the Group's own equity instruments instead of cash. In this respect, as of 31 December 2010, non-controlling interests that are subject to call options are carried at amortized cost amounting to TRY 217.240 under the "other long term financial liabilities" account rather than "non-controlling interests" account in the consolidated balance sheet. At initial recognition, the Group recognized TRY 192.213 of difference resulting from the estimated fair value of call option and non-controlling interests under equity.

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

NOTE 22 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)

(d) Vatan Newspaper

As at 13 March 2008, Doğan Gazetecilik, one of the subsidiaries of Doğan Yayın Holding, acquired 40,16% shares of Bağımsız Gazeteciler, the owner of the Vatan Newspaper brand and its franchise right, in consideration of TRY 8.534 (USD 7.200) and 100% shares of Kemer Yayıncılık, which has a 59,84% shareholding in the paid-in capital of Bağımsız Gazeteciler, taking into account the fact that almost all of Kemer Yayıncılık's assets are composed of its participation in Bağımsız Gazeteciler, in consideration of TRY 12.719 (USD 10.800) (Note 3). The Competition Authority permitted the transaction upon its decision made on 10 March 2008 following the application made to the Competition Board regarding the above mentioned transactions, provided that the following conditions are met:

- transfer of the brand name "Vatan Gazetesi" and its franchise rights without any obligations and liabilities to persons or entities other than the Group or any associates or subsidiaries that the Group directly or indirectly has control over (any company currently established or to be established), including any real and legal entities, within two years after of the issuance of the permit and having the approval of the Competition Authority, regardless of any thresholds identified in Communiqué No:1997/1;

- sale of the brand name "Vatan Gazetesi" and its franchise rights through a tender under the supervision of the Competition Authority within two months unless the transfer is completed within two years after of the issuance of the permit.

- continue to carry the brand "Vatan Newspaper" and its franchise right for three years after the tender unless the brand and franchise right can be transferred; meet the required liabilities necessary for the brand's legal existence; not use the brand name and franchise rights on any periodicals; evaluate any offers on the brand name and its franchise rights having the approval of the Competition Board in accordance with Article 4.1; and hold all kinds of disposal rights on the brand, if the brand and its franchise rights still cannot be transferred following the expiry date of the related term.

Subsequent to the decision of the Competition Authority issued on 26 September 2008, The Group filed a lawsuit at the Council of State for the cancellation of stay of execution including the execution of the conditions set out in the decision. In its decision issued on 13 February 2009, the Council of State ruled for a stay of execution of the conditions set out in the decision of the Competition Authority which was made on 10 March 2008. Consequently, while the decision of the Competition Authority related to the share acquisition of Bağımsız Gazeteciler and Kemer Yayıncılık by Doğan Gazetecilik becomes valid, the execution of the case-related conditions in the decision has been ceased. On 16 September 2009, the objection of the Competition Authority to the related stay of execution decision is declined by the Administrative Divisions of Council of State In regards to the file for stay of execution, 13th Chamber of Council of State has ruled the rescission of the subject terms in the Competitive Board's ruling on 10 March 2008 as at 13 March 2010.

The Competitive Board has filed for an appeal to the Plenary Session of Administrative Law Divisions of the Council of State for the related ruling.

NOTE 22 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)

(e) Put options

In January 2007, OOO Pronto Moscow, a subsidiary of Hürriyet, acquired the majority shares of Impress Media Marketing LLC ("Impress Media"). Accordingly, the Group has the right to purchase 13% of non-controlling shares from non-controlling shareholders without a time constraint, provided that certain conditions are met. Additionally, the Group has signed a new put option agreement valid between August 2011 and August 2015 for the remaining non-controlling shares of 10%. Net fair value of such option shall be calculated based on Impress Media's EBITDA or net sales revenue. Group, pursuant to an agreement signed in September of 2010, has had the option to purchase the remaining 3% share in the capital. The fair value of the option will be determined based on calculation over Impress Media EBITDA, according to gradually increase of Impress Media EBITDA, shall be had the option to the rate of 14% of the shares sold, to the rate of 14% of the purchase the new shares. As of 31 December 2010, the short-term portion of the fair value of the put option is TRY 764 (31 December 2009: TRY 2.359), long-term portion is nil as of 31 December 2010 (31 December 2009: TRY 742).

Hürriyet has granted a put option, on the 30% shares outstanding during the acquisition of 70% interest of the shares in its subsidiary Oglasnik d.o.o in Croatia. As of 31 December 2010, the fair value of the option is calculated as TRY 12.366 (USD 8.000) based on various valuation techniques and assumptions and classified in "Other short-term financial liabilities" (31 December 2009: TRY 12.044 (USD 8.000)). The discussions over the exercise right of the options are still in progress as of the publishing day of the consolidated financial results.

Hürriyet has acquired a 55% share in Moje Delo d.o.o. ("Moje Delo") in Slovenia. The Group paid an earn-out amounting to EUR 1 million during the period. The Group has granted a put option to the selling shareholders on the remainder of the shares exercisable from January 2009 to January 2012 and has a call option exercisable from January 2011 to January 2014. Exercise price shall be calculated based on EBITDA and the net financial debt of Moje Delo. The fair value of the put option is TRY 700 as of 31 December 2010 and classified in "Short-term financial liabilities" (2009: TRY 719).

Based on a protocols signed by Hürriyet in the current period, the put option liability in relation to the 3,84% shares of non-controlling interests in Trader Media East Limited is exercisable until 2013. The "put option" exercise price is USD 13 (exact). Hürriyet will make a payment of USD 1.000 for each year the put option right is exercised until 2013. Considering facts that the protocol signed in the current period has not derived any cash outflows and has not assumed any liabilities in prior periods or in the current period and probable cash outflows will likely occur in 2013, Hürriyet has presented TRY 38.650 of put option liability under the "Other Financial Liabilities" account in the accompanying consolidated financial statements as of and for the period then ended 31 December 2010; and accordingly has recognized foreign currency translation difference and loss for the period by increasing TRY 168 and TRY 453 and its non-controlling interest and retained earnings/accumulated losses by TRY by decreasing 22.767 and TRY 15.458, respectively.

NOTE 22 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)

(f) Developments at the Radio and Television Supreme Council ("RTSC")

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

- companies that have already acquired a license from the Radio and Television Supreme Council to adjust their shareholding structure in compliance with paragraphs (h) and (ı) in Article 29 of the Law No: 3984 "Establishment of Radio and Television Enterprises and Their Broadcasts" within three months on the basis of the requirements set out in Article 29 (j), or otherwise their broadcast licenses will be cancelled; and

- companies that have already applied to the Radio and Television Supreme Council for the permit and license; however, the related procedures have not yet been concluded to renew their application to the Radio and Television Supreme Council by adjusting their shareholding structure in compliance with paragraphs (h) and (ı) in Article 29 of the Law No: 3984, or otherwise their previous applications will become invalid.

Based on the Group's written objection to the decision and considering the assessments of the Group, RTSC has issued a new written decision on 10 February 2010 delaying the enforcement of the above mentioned decision made on 13 October 2009 until a revised decision will be issued.

(g) Improvements at Competition Authority

Upon the Competitive Board's notification issued on 17 September 2009, Doğan Yayın Holding, Hürriyet, Doğan Gazetecilik, Bağımsız Gazeteciler and Doğan Daily News were informed that they are subject to an investigation in order to determine whether these companies have violated any provisions of Law 4054 in relation to "Advertisement area sales" in the printed media. The Group has made an objection to the initial response session of the ongoing investigation claiming that Doğan Yayın Holding's operations are not in the form of "Advertisement area sales" in the printed media and Doğan Daily News is not an operating company. The investigation is still in progress. The investigation has reached the stage of decision whereas the decision hasn't been disclosed as of the report date.

(h) Derivatives:

1) Derivative instruments against foreign exchange risk

Hürriyet, one of the subsidiaries of the Group, has entered into a Euro swap transaction regarding the last three installments of its long-term bank borrowing agreement amounted to USD 133.807, due in 2012 and 2013 amounting to USD 80.283. The Group has made a swap transaction amounting to USD 40.180 related with bank borrowings and financial liability amounted to TRY 3.754 (31 December 2009: TRY 1.753) has been recognised as of 31 December 2010.

NOTE 22 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)

(h) Derivatives (Continued)

2) Derivative instruments against interest risk

Hürriyet, one of the subsidiaries of the Group, entered into six collar agreements totaling to USD 27.750 to hedge the interest rate risk arising from borrowings as of 31 December 2010 (31December 2009: 46.000 USD (collar) (31 December 2009: 37.000 USD eight-piece collar and CAP). The agreements have fixed base and cap rates. Accordingly, at the dates defined in agreements, if the LIBOR rate is below the base rate, the Group has to compensate for the difference between the base rate and the actual rate. Similarly, if the LIBOR rate is above the cap rate, banks will compensate the difference to the Group.

As of 31 December 2010, fixed base and cap rates change between 3,0% and 5,6% (2009: 3,0% - 5,6%) and the main floating interest rate is LIBOR. Financial liability recognised as of the balance sheet date regarding these agreements amounted to TRY 65 (31 December 2009: TRY 162).

3) Interest rate swap transactions

Hürriyet, one of the subsidiaries of the Group, has an interest rate swap agreement to convert floating interest (Libor) rate to fixed interest rate for its loan amounting to USD 80.283. According to the agreement, interest expense of loan depending on 6 months libor rate, is fixed until 5 July 2011. Financial liability recognised as of 31 December 2010 regarding these agreements amounted to TRY 783 (31 December 2009: None).

DTV Holding A.Ş., one of the subsidiaries of the Group, has an interest rate swap agreement to convert floating interest rate to fixed interest rate for its loan amounting to USD 77.778 as of 31 December 2010. According to the agreement, interest expense of loan is fixed until 23 May 2014. Financial liability recognised as of 31 December 2010 regarding these agreements amounted to TRY 4.206 (31 December 2009: None).

(i) **Penalty imposed by the Energy Market Regulatory Authority:***(Discontinued Operations)*

With its Notifications No: 25049 and 25057, both dated 31 August 2006, the Energy Market Regulatory Authority (EMRA) imposed administrative fines on POAŞ and ERK, Joint Ventures of the Group, amounting to TRY 498.693 and TRY 100.739 (with Doğan Holding's ownership interest TRY 270.165 and TRY 54.575) respectively for deliveries made to unlicensed dealers.Tax Office of Boğaziçi Kurumlar sent payment orders to POAŞ and Erk in connection with collecting the administrative fines which are brought to the attention of the Tax Office by EMRA. POAŞ and Erk have taken judicial actions in order to exercise their legal rights for the cancellation of the fines and removal of payment orders.

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

NOTE 22 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)

(i) Penalty imposed by the Energy Market Regulatory Authority:*(Discontinued Operations) (Continued)*

Following the decision for stay of execution, the cancellation of the fines and removal of payment orders have been decided. EMRA and Tax Court appealed the desicion. Council of State affirmed the desicion with No: 2009/4428 and 2009/4431, for cancellation of administrative fines imposed on Erk and POAŞ and communicated the desicions to Erk and POAŞ. EMRA, apply for desicion correction to Plenary Session of Administrative Law Divisions of the Council of State. Results will be finalized as a result of demand for legal decision-correction. EMRA's decision correction request was rejected. Decision was notified to POAŞ on 3 Febuary 2011.

Installment payments amounting to TRY 1.137 (TRY 616 with Doğan Holding's effective shareholding interest), which were made by Erk until the ceasement of the payment orders are reimbursement, and pledges on the properties of POAŞ are released. Reimbursement of the installment payments that were made by POAŞ until the ceasement of the payment orders, and the release of pledges that were given to the tax office are still in progress. The installments will be collected as a result of the finalized legal process in favor of the Company.

EMRA at its meeting on 16 September 2010, with the decision No: 2009/4428 of 13th Council of State and in accordance with the Petroleum Market Law numbered 5015 2nd, 3rd and 4th clauses, had imposed administrative fine on POAŞ amounting to TRY 29.400 (with Doğan Holding's ownership interest TRY 15.927) which has been grounded on transfers of fuels to unlicensed 588 dealers after 14 April 2005. TRY 50 administrative fine has been imposed for each dealer in accordance with the 3rd item of 19th clause of Petroleum Market Law. The decision has been communicated to POAŞ on 7 October 2010 by EMRA. It is stated in the notification that, if the fine is paid within 30 days, 25% discount will be applied and within 60 days from the date of the notification, POAŞ reserves the right to sue the administrative fine. POAŞ paid the administrative fine with 25% discount, amounted to TRY 22.050 (with Doğan Holding's ownership interest TRY 11.946) on 3 November 2010. POAŞ will take judicial action within 60 days for the cancellation of the administrative fine. TRY 22.050 is accounted under provisions in consolidated financial statements as of 31 December 2010. The said amount is accounted under other operation expenses as penalty and compensation in discontinued opeations at the consolidated financials statements as of 31 December 2010.

EMRA at its meeting on 16 September 2010, with the decision No: 2009/4431 of 13th Council of State and in accordance with the Petroleum Market Law numbered 5015 2nd, 3rd and 4th clauses, had imposed administrative fines on Erk amounting to TRY 6.000 (with Doğan Holding's ownership interest TRY 3.250) which has been grounded on transfers of fuels to unlicensed 120 dealers after 14 April 2005. TRY 50 administrative fine has been imposed for each dealer in accordance with the 3rd item of 19th clause of Petroleum Market Law. The decision has been communicated to Erk on 11 October 2010 by EMRA. It is stated in the notification that, if the fine is paid within 30 days, 25% discount will be applied and within 60 days from the date of the notification, Erk reserves the right to sue the administrative fine. Erk will pay the administrative fine with 25% discount, amounted to TRY 4.500 (with Doğan Holding's ownership interest TRY 2.438) and will take judicial action within 60 days for the cancellation of the administrative fine. TRY 4.500 is accounted under provisions in consolidated financial statements as of 31 December 2010.

Share transfers of Doğan Holding's shares in POAŞ (Note 4) is completed on 22 December 2010, therefore Group has no liability about related law suits and penalties as of 31 December 2010.

NOTE 22 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)

(j) Other

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

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

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

Also, Fortis Bank ,due to grounds of materiality for tax lawsuits some of which are previously announced to public and for amounts related to loans under legal follow-up amounting to USD 6.000 and TRY 4.178 at the closing date of agreement. made payments amounting to TRY 4.238 in the current period.

Other;

The land owned by Milpa, a subsidiary of the Group, located in Kurtdoğmuş village, Pendik district, İstanbul province, classified as investment property in the consolidated financial statements, 144.266 m^2 of the land was removed from forestry land with a court decision taken in 2005. The Forestry Directorate appealed the decision at the 20th Chamber of the High Court and the objection was accepted on 24 June 2008 and these decisions (removing from forestry land) are sent to the Pendik Court of First Instance for re-evaluation. The Court reiterated its initial decision on 8 October 2009. The Forestry Directorate reappealled the decision and the file sent back to the 20th Chamber of the High Court. The decision of the High Court is still pending.

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

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

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

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

NOTE 23 - COMMITMENTS

Collateral, pledge and mortgages given:

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

	31 December 2010					31 December 2009				
	TRY Equivalent	**TRY**	**USD Dollar**	**Euro**	**Other**	**TRY Equivalent**	**TRY**	**USD Dollar**	**Euro**	**Other**
A. CPM's given in the name of its own legal personality										
Guarantee (1)	115.111	101.493	6.966	1.386	3	366.726	200.475	15.832	65.705	58.700
Pledge (2) (3)	329.055	113.177	-	-	4.255.692	76.619	70.000	-	-	3.064
Mortgage (4)	25.113	11.794	-	6.500	-	24.392	10.350	-	6.500	-
B. CPM's given on behalf of the fully consolidated companies(*)										
Guarantee (1) (4)	2.262.918	220.089	1.053.001	202.474	-	1.960.058	148.634	969.208	162.981	-
Pledge	-	-	-	-	-	-	-	-	-	-
Mortgage	-	-	-	-	-	-	-	-	-	-
C. CPM's given behalf of third parties for ordinary course of business										
Guarantee	-	-	-	-	-	-	-	-	-	-
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 to on behalf of other group companies	-	-	-	-	-	-	-	-	-	-
which are not in scope of B and C	-	-	-	-	-	-	-	-	-	-
iii) Total amount of CPM's given to on behalf of third parties	-	-	-	-	-	-	-	-	-	-
which are not in scope of B and C	-	-	-	-	-	-	-	-	-	-
Toplam	**2.732.197**					**2.427.795**				

(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) As of 31 December 2010, one of the subsidiaries of the Group, OOO Pronto Moscow has liens amounting to TRY 215.878 over the rights of name, "IZ RUK V RUKI" ("Из рук в руки") within the context of loan agreement.

(3) Hürriyet, one of the subsidiaries of the Group, has mortgages amounting to TRY 25.113 as of 31 December 2010(31 December 2009: TRY 24.391).

(4) Guarantee is related with the long-term project financing loan amounting to 750.000 USD which is taken together with the other shareholders (Note 4) of Boyabat Elektrik as joint and several guarantor within the hydrolectiric power plant project which is under Boyabat Elektrik execution and planned to be completed by the end of 2012. The duration of the guarantee is limited to the construction completion date.

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

NOTE 23 - COMMITMENTS (Continued):

As explained in detail in Note 8, 11,3% shares of Doğan Yayın Holding (113.169.526 shares), 13,3% shares of Hürriyet (73.200.000 shares), 49% shares of Kanal D (24.500.000 shares) and 67,3% shares of TME (33.649.091 shares) were given as pledges to financial institutions in respect of the long-term borrowings of the Group and are not included in the table above.

Tax office put shares of Doğan Yayın Holding in its subsidiaries - 66,56% of Hürriyet shares (367.415.960 shares); 70,76% of Doğan Gazetecilik shares (74.297.743 shares); and 36,14% Doğan TV shares (164.998.528 shares), 44,89% of its joint venture Doğan Burda shares(8.779.736 shares); under sequestration; and, those shares are not included to the above table. Also, total shares of D Yapım (1.124.682.616 shares), Doğan Prodüksiyon (1.087.582.624 shares) and Alp Görsel (1.068.595.605 shares) all of which are owned by Doğan TV are given as guarantees to the Tax Offices; and they are not included to the above table.

Other CPM given by the Group to equity ratio is 0,0% as of 31 December 2010 (31 December 2009: 0,0%).

	31 December 2010		**31 December 2009**	
	Original Foreign currency	**TRY amounts**	**Original foreign currency**	**TRY amounts**
Letters of guarantee – EUR	84.330	172.802	123.920	267.705
Letters of guarantee – TRY	103.897	103.897	208.652	208.652
Letters of guarantee – USD	14.525	22.455	15.832	23.838
Letters of guarantee – Other	3	7	58.700	470
Guarantee notes – TRY	204	204	212	212
Guarantee notes – EUR	25	52	25	53
Total		**299.417**		**500.930**

Doğan TV, one of the subsidiaries of Doğan Yayın Holding, has given letters of guarantees amounting to EUR 82.500 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 2009-2012. In addition, until 2012 in relation to these games Dogan TV has a payment obligation for the amount of total EUR 91.500.

(b) Barter agreements

At 31 December 2010, the Group has a commitment for the publication of advertisements amounting to TRY 8.232 in exchange for purchasing goods and services (2009: TRY 13.382) and has an option to purchase goods and services amounting to TRY 12.854 in exchange of the goods or services sold (2009: TRY 12.119).

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

NOTE 23 - COMMITMENTS (Continued)

(c) Guarantees and mortgages given

The details of guarantees given for the borrowings and trade payables of the Group companies and related parties as of 31 December 2010 and 31 December 2009 are as follows:

	31 December 2010		31 December 2009	
	Original Foreign currency	**TRY amounts**	**Original foreign currency**	**TRY amounts**
Bails – Euro	119.505	244.879	32.658	226.272
Bails – USD Dollar	1.045.443	1.616.254	969.208	1.459.337
Bails – TRY	217.479	217.479	140.245	140.245
Mortgages – Euro	6.500	13.319	6500	14.042
Mortgages – TRY	11.794	11.794	10.350	10.350
Total		**2.103.725**		**1.850.246**

NOTE 24 - PROVISION FOR EMPLOYMENT TERMINATION BENEFITS

	2010	**2009**
Long Term Provisions		
Provision for employment termination benefits	46.895	36.399
	46.895	**36.399**

Provision for employment termination benefits

Under the Turkish Labour Law, the Company 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 or retires after completing 25 years of service (20 years for women) and achieves the retirement age (58 for women and 60 for men). At 31 December 2010 the amount payable maximum TRY 2,517 (31 December 2009: TRY 2,36) for each year of service.

On the other hand 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' 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.

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 Doğan Holding and its subsidiaries, joint ventures and associates registered in Turkey. IAS 19 " Employee Benefits" standard which is published by IASB requires actuarial valuation methods to be developed to estimate the Group's employee termination benefit liability under defined benefit plans. Accordingly, the following actuarial assumptions were used in the calculation of the total provision.

	2010	**2009**
Discount rate (%)	4,66	5,92
Turnover rate to estimate the probability of retirement (%)	%82-%93	%83-%93

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

NOTE 24 - PROVISION FOR EMPLOYMENT TERMINATION BENEFITS (Continued)

The principal assumption is that the maximum liability of 2.517,01 TL (31 December 2009: 2.365,16 TL) for each year of service will increase in line with inflation. Thus, the discount rate applied represents the expected real rate after adjusting for the anticipated effects of future inflation. As the maximum liability is revised semi-annually, the maximum amount of TRY 2.623,27 (1 January 2010: TRY 2.427,04), which is effective from 1 January 2011, has been taken into consideration in calculating the reserve for employment termination benefit of the Group. As of 31 December 2010, the salaries have been taken into consideration in calculation for the employees under the Regulations with regards to Employees Employed in the Press Sector.

The Group has reviewed the assumptions used in calculating the retirement benefit obligation in the current year, changes in accounting estimates are accounted in the current period.

The movements in the provision for employment termination benefits for the years ended 31 December 2010 and 2009 are as follows:

	2010	**2009**
1 January	36.399	30.308
Service cost	16.686	6.063
Change in scope of consolidation	(5.974)	-
Transfer of joint venture interest	(11.794)	(10.940)
Interest cost	1.565	1.795
Actuarial loss	10.013	9.173
31 December	**46.895**	**36.399**

NOTE 25-RETIREMENT PLANS

None (2009: None).

NOTE 26 - OTHER ASSETS AND LIABILITIES

	31 December 2010	**31December 2009**
Other current assets		
Programme stocks	52.675	55.437
Value Added Tax ("VAT") receivable	50.739	81.643
Prepaid expenses	40.287	33.038
Advances given	35.396	42.920
Income accruals	8.514	15.312
Prepaid taxes and funds	7.077	31.963
Tax receivables	1.616	2.240
SCT to be offset	-	3.708
Other	18.165	7.791
	214.469	**274.052**
Impairment for programme stocks	(2.500)	(2.500)
	211.969	**271.552**

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

NOTE 26 - OTHER ASSETS AND LIABILITIES (Continued)

	31 December 2010	31 December 2009
Other non-current assets		
Value Added Tax ("VAT") receivables	110.598	65.860
Advances given and prepayments (1)	83.869	122.005
More than one year blocked deposits (2)	15.460	-
Prepaid expenses	9.780	47.763
Other	53	2.813
	219.760	**238.441**

(1) Advances given and prepayments amounting to TRY 26.339 (31 December 2009: TRY 32.865) consist of prepayments made by Doğan TV, one of the subsidiaries of Doğan Yayın Holding, for UEFA Champions League qualifying games and UEFA Cup qualifying games of certain Turkcell Super League teams between 2008 and 2020. In accordance with the agreements, prepayments made for the related games will be refunded to Doğan TV in the cancellation of games.

Advances given and prepayments amounting to TRY 10.635 (31 December 2009: TRY 14.564) consist of the prepayments made by Doğan TV to certain Turkcell Super League teams in regards to multiple media broadcasting rights (internet, IPTV (internet protocol TV), etc.) between 2008 and 2013, broadcasting rights of amateur branches between 2008 and 2013, and preferential rights of seasonal ticket sales between 2010 and 2012.

(2) As of December 31, 2010,Doğan Yayın Holding's time deposit amounting to USD 10.000 has been blocked as collateral for loans used by subsidiaries of the Doğan Yayın Holding until the year 2013 which is maturity date of the loans.

	31 December 2010	31 December 2009
Other current liabilities		
Deferred income	52.283	51.502
Provision for unused vacation	27.497	24.389
Expense provisions	12.276	10.803
Provision for broadcasted programs	6.815	17.379
Provision for tax penalties (*)	-	26.033
Expense accruals	1.798	35.586
	100.669	**165.692**

(*) The tax penalty of the previous period is paid within the current period. TRY 6.650 has been accrued as a tax penalty and TRY 5.259 of the total amount is paid in cash whereas TRY 1.391 is paid in the current period by offsetting with tax receivables.

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

NOTE 27 – EQUITY

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

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

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

	Share %	31 December 2010	Share %	31 December 2009
Adilbey Holding A.Ş.	52,00	1.273.999	52,00	1.274.000
Aydın Doğan	10,08	246.993	7,72	188.907
Işıl Doğan	1,64	40.292	1,64	40.292
Arzuhan Doğan Yalçındağ	0,78	19.049	1,04	25.503
Vuslat Doğan Sabancı	0,46	11.353	1,04	25.503
Hanzade V. Doğan Boyner	0,93	22.703	1,04	25.503
Y. Begümhan Doğan Faralyalı	0,04	975	1,04	25.503
Total Doğan family and companies owned by Doğan family	**65,93**	**1.615.364**	**65,52**	**1.605.211**
Istanbul Stock Exchange	33,88	829.957	34,29	840.110
Aydın Doğan Vakfı	0,19	4.679	0,19	4.679
Total issued capital	**100**	**2.450.000**	**100**	**2.450.000**
Adjustment to paid-in capital		143.526		143.526
Total paid-in capital		**2.593.526**		**2.593.526**

NOTE 27 – EQUITY (Continued)

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

There are no privileged shares.

Restricted Reserves Assorted From Profit

Restricted Reserves are appropriated from retained earnings because of legal or contractual requirements; or because of specified purposes other than profit distribution (for example: in order to utilize the tax advantage of sales of equity participations).

The legal reserves consist of first and second reserves, appropriated in accordance with the Turkish Commercial Code. The Turkish Commercial Code stipulates that the first legal reserve is appropriated out of statutory profits at the rate of 5% per annum, until the total reserve reaches 20% of the Company’s paid-in share capital. The second legal reserve is appropriated at the rate of 10% per annum of all cash distributions in excess of 5% of the paid-in share capital. Under the Turkish Commercial Code, the legal reserves can only be used to offset losses and are not available for any other usage unless they exceed 50% of paid-in share capital. Related amount is classified in “Restricted Reserves Assorted From Profit” accordance with CMB Financial Reporting Standards ,as of 31 December that amount is TRY 696.888 (31 December 2009: TRY 534.144). There is no restriction to add these reverses except first reserves to equity.

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

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

- if the difference is arising due to the inflation adjustment of “Paid-in Capital” and not yet been transferred to capital should be classified under the “Inflation Adjustment To Share Capital”;

- if the difference is due to the inflation adjustment of “Restricted Reserves” and “Share Premium” and the amount has not been utilised in dividend distribution or capital increase yet, it shall be classified under “Retained Earnings”.

Other equity items shall be carried at the amounts calculated based on CMB Financial Reporting Standards. Inflation adjustment to share capital can only be added to equity.

NOTE 27 – EQUITY (Continued)

Financial assets fair value reserves

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

Dividend Distribution

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

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

Also, based on the CMB’s resolution no: 7/242 issued on 25 February 2005, if all of the profit distribution amount determined in accordance with the regulation set out on the CMB’s minimum profit distribution requirement over the net distributable profit calculated based on the CMB regulations can be recovered from the distributable profit amount in the statutory records, the related amount will be fully distributed, or otherwise all the net distributable profit in the statutory records will be distributed accordingly. No dividend distribution will be made if financial statements or statutory records prepared in accordance with the CMB standards reflect any loss amount for the period.

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

Board of Directors of Doğan Holding has made the following resolutions in its meeting considering the current tax expense, deferred tax expense and non-controlling interests presented in the consolidated financial statements prepared for the accounting period ended as of 31 December 2009.
Shareholders will be communicated that there will be no profit distribution for the 1 January – 31 December 2009 period since the Company has recognized TRY 114.113 of consolidated loss for the period, and the transfer of the resulting amount of TRY 28.791 (which is calculated by offsetting TRY 38.205 of profit period recorded under TCC (Turkish Commercial Code) and TPL (Tax Procedure Law) against corporate tax and booked TRY 1.516 of first legal reserves over the remaining amount of TRY 30.307) to extraordinary reserves is approved in General Shareholder Assembly dated 23 June 2010. 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 in the financial statements prepared in accordance with Communiqué Serial XI, No: 29. 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 toTRY 586.456.

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

NOTE 27 – EQUITY (Continued)

The shareholders equity of the Group is as below:

	31 December 2010	31 December 2009
Share capital	2.450.000	2.450.000
Adjustment to share capital	143.526	143.526
Share premium	630	630
Revaluation fund	-	113.942
Increase in fair value of available for sale financial assets, net	13.918	12.456
Translation reserve	(3.939)	(7.063)
Restricted reserves assorted from profit	696.888	680.641
- Legal reserves	*64.837*	*63.321*
- Inflation adjustment differences to legal, extraordinary and other reserves, share premiums	*632.051*	*617.320*
Retained earnings	(92.683)	194.086
Net income for the period	656.204	(114.113)
Total shareholders' equity	**3.864.544**	**3.474.105**

NOTE 28 - SALES AND COST OF SALES

	2010	2009
Domestic Sales	3.130.190	2.972.748
Foreign Sales	339.318	353.764
Sales returns	(435.701)	(424.650)
Sales discount	(183.336)	(216.029)
Net sales	**2.850.471**	**2.685.833**
Cost of sales (-)	(2.178.438)	(2.265.535)
Gross profit	**672.033**	**420.298**

Sales income and cost of sales

The segment details of revenue and cost of sales for the periods ended as of 31 December 2010 and 2009 is disclosed in Note 5 - "Segment Reporting".

NOTE 29 - RESEARCH AND DEVELOPMENT EXPENSES, MARKETING, SALES AND DISTRIBUTION EXPENSES, GENERAL ADMINISTRATIVE EXPENSES

	2010	2009
Selling, marketing and distribution expenses	382.535	312.262
General administrative expenses	370.526	329.295
Operating expenses	**753.061**	**641.557**

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

NOTE 30 - EXPENSES BY NATURE

The details of cost of sales, marketing, selling and distribution expenses and general administrative expenses for the nine-month interim periods ended as at 31 December 2010 and 2009 are as follows:

	2010	**2009**
Personnel expenses	621.845	536.959
Cost of trade goods sold	470.310	588.649
General production overhead	464.253	551.573
Raw material and supplies	377.388	323.562
Depreciation expense (*)	246.415	254.416
Advertising expenses	95.101	56.301
Other	656.187	595.632
	2.931.499	**2.907.092**

(*)Energy segment depreciation expense TRY 154.677 is derived from POAŞ which share transfers took place on 22 December 2010, reclassified under discontinued operations (31 December2009: TRY 141.191).

NOTE 31 - OTHER INCOME/EXPENSES

	2010	**2009**
Other income:		
Terminated provisions	17.811	13.007
Gain on sales of property, plant and equipment and intangible assets	16.830	749
Scrap sales income	2.035	1.329
Rent income	1.477	229
Profit from sale of subsidiary share	733	7.365
Tax agreement income	477	-
Profit from purchase of subsidiary and joint venture share (*)	-	38.953
Profit from sale of investment (**)	-	22.542
Other income	11.495	19.500
	50.858	**103.674**

(*) Increase in Hürriyet, Doğan Gazetecilik, Doğan Yayın, Çelik Halat and Ditaş Doğan shares of the Group resulted negative goodwill amounting to TRY 38.953 for the period ended with 31 December 2009 (Note:3).

(**) Profit from the sales of its 10% shares in Ray Sigorta, one of the subsidiaries of Group, (Note 7).

	2010	**2009**
Other expenses:		
Provision for tangible assets (Note 17, 18 and 19)	(79.456)	-
Provision for doubtful receivables (Note 10)	(42.834)	(46.987)
Impairment for goodwill	(29.030)	-
Provision for tax penalties	(22.026)	(55.824)
Fines and penalties paid	(3.437)	(37.851)
Cancelled project expense	(9.188)	-
Loss compensation of joint ventures	(7.251)	-
Fixed asset selling loss	(2.146)	(4.196)
Provision for lawsuits	(5.009)	(8.417)
Union indemnity expenses	-	(861)
Commission expenses	-	(850)
Other expenses	(25.538)	(45.180)
	(225.915)	**(200.166)**

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

NOTE 32 - FINANCIAL INCOME

Financial income for the periods ended as at 31 December 2010 and 2009 are as follows:

Financial income:	**2010**	**2009**
Foreign exchange gain	188.843	228.115
Interest income on bank deposits	70.181	108.821
Due date difference on credit sales	48.399	39.928
Amortized cost valuation income	12	11.536
Other interest and commissions	2.126	6.816
	309.561	**395.216**

NOTE 33 - FINANCIAL EXPENSE

Financial expense for the periods ended as at 31 December 2010 and 2009 is as follows:

Financial expense:	**2010**	**2009**
Foreign exchange loss	(193.458)	(232.070)
Interest expense on short-term and long-term borrowings	(90.457)	(123.868)
Due date difference on credit purchases	(22.607)	(22.780)
Interest expense from derivatives	(5.743)	-
Other	(21.970)	(35.883)
	(334.235)	**(414.601)**

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

NOTE 34 – NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

Group transferred its 54,14% shares in the capital of POAŞ on 22 December 2010 (Note 41). POAŞ's operation results (until the date of transfer) and the profit from the sale of shares presented as follows;

	2010	**2009**
Sales	8.736.909	7.630.669
Cost of sales (-)	(8.272.583)	(7.085.438)
Gross profit	**464.326**	**545.231**
Marketing, selling and distribution expenses (-)	(193.308)	(160.418)
General and administrative expenses (-)	(88.225)	(101.937)
Research and development expenses	(335)	(896)
Other expenses (net)	(64.150)	(9.123)
Financial income (net)	(153.395)	(134.009)
Profit/loss before tax From discontinued operations	**(35.087)**	**138.848**
Tax Income from discontinued operations	**180**	**(27.576)**
Current income tax for the period	(22.212)	(44.101)
Deferred tax (expenses)/income	22.392	16.525
Net (Loss)/Gain of discontinued operations before joint venture's share transfer	**(34.907)**	**111.272**
Gain on disposal of Joint Venture (Note 41)	1.043.603	-
Sales Income Tax Expense	(46.023)	-
Discontinued operations		
Net profit after tax for Discontinued operations	**962.673**	**111.272**

Net cash used in discontinued operations

	1 January - 31 December 2010	**1 January- 31 December 2009**
Net cash provided by operations	352.826	82.415
Net cash used in investing activities	(299.590)	(142.740)
Net cash used in financing activities	(588.596)	(18.572)
Net cash outflow	**(535.360)**	**(78.897)**

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

NOTE 35 - TAX ASSETS AND LIABILITIES

	31 December 2010	31 December 2009
Corporate and income taxes payable	76.462	10.699
Deferred tax liabilities, net	31.099	154.782
Total	**107.561**	**165.481**

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

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

	Cumulative temporary differences		Deferred Tax assets/(liabilities)	
	31 December 2010	31 December 2009	31 December 2010	31 December 2009
Differences between the tax base and carrying value of property, plant and equipment and intangible assets	(680.940)	(1.294.052)	(136.527)	(248.763)
Accured expenses of swap and fair value protection	(360)	-	(72)	-
Other	(4.383)	(40.760)	(1.026)	(997)
Deferred tax liabilities			**(137.625)**	**(249.760)**
Carry forward tax losses	337.342	294.213	67.469	58.842
Provision for doubtful receivables	35.170	91.936	8.278	18.319
Provision for employment termination benefits	46.895	36.399	9.379	7.099
Deferred financial income of trade receivables	-	7.178	-	1.474
Lease payables	948	4.306	271	1.206
Other	99.748	81.738	21.129	8.038
Deferred tax assets			**106.526**	**94.978**
Deferred tax liabilities, net			**(31.099)**	**(154.782)**

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

NOTE 35 - TAX ASSETS AND LIABILITIES (Continued)

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

The Group recognized deferred tax assets of TRY 337.342 for the period ended 31 December 2010 (31 December 2009: TRY 294.213) over carry forward tax losses in the consolidated financial statements prepared in accordance with CMB Financial Reporting Standards. The maturities of these losses at 31 December 2010 and 31 December 2009 are as follows:

	31 December 2010	**31 December 2009**
2011	29.594	28.498
2012	48.644	46.456
2013	245.310	209.493
2014	8.333	9.766
2015 and after	5.461	-
	337.342	**294.213**

As of 31 December 2010, deferred tax rate is 20% for corporations operating in Turkey (2009: 20%).

Deferred tax assets are reflected into records for all deductible temporary differences to the extent of possibility of tax profit to be formed at profitable level. As of 31 December 2010, carry forward tax losses for which no deferred tax asset is recognized are with an amount of TRY 832.179 (31 December 2009: TRY 1.279.598).

As of 31 December 2010, tax rates (%) used on tax computations regarding the tax regulations per countries are as follows:

Country	**Tax rates (%)**	**Country**	**Tax rates (%)**
Germany	30,0 - 33,0	Ukraine	25,0
Romania	16,0	Hungary (*)	19,0
England	28,0	Russia	20,0
Crotia	20,0	Belarus	24,0
Kazakhstan	20,0	Netherlands (**)	25,5

(*) In basis of taxation, the first 500.000 Hungarion Forinti part subject to 10%, above of it 19%.
(**) As of 1 January 2011 tax rate has falled to 25% and and corparate tax base for the first 200.000 Euro is taxed by 20%.

Movements for net deferred taxes for the periods ended at 31 December 2010 and 2009 are as follows:

	2010	**2009**
1 January	(154.782)	(138.569)
Deffered tax effect of financial assets fair value increase	(50)	(503)
Current year's expense/income	36.449	(37.803)
Discontinued operation current period charge	22.392	16.525
Currency translation differences	(2.568)	4.431
Disposal of subsidiaries	68.305	-
Included in corporate tax computation and paid temporary differences	(845)	-
Change in the scope of consolidation	-	1.137
31 December	**(31.099)**	**(154.782)**

NOTE 35 - TAX ASSETS AND LIABILITIES (Continued)

Turkey

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

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

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

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

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

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

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

NOTE 35 - TAX ASSETS AND LIABILITIES (Continued)

Turkey (Continued)

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

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

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

Exemption for participation in subsidiaries

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

Exemption for participation in foreign subsidiaries

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

Exemption for sale of participation shares and property

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

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

Exemption for investment allowance

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

NOTE 35 - TAX ASSETS AND LIABILITIES (Continued)

Turkey (Continued)

Exemption for investment allowance (Continued)

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

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

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

Russian Federation

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

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

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

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

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

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

NOTE 35 - TAX ASSETS AND LIABILITIES (Continued)

The taxes on income reflected to the consolidated income statement for the periods ended at 31 December 2010 and 2009 are summarized below:

	2010	**2009**
Current	(111.634)	(50.444)
Deferred	36.449	(37.803)
Taxes on income	**(75.185)**	**(88.247)**

The reconciliation of the taxation on income in the consolidated income statement for interim periods ended 31 December 2010 and 2009 and the tax calculated at the corporate tax rate based on the income before minority interests and taxation on income are as follows:

	31 December 2010	**31 December 2009**
Profit before taxation from continued operations	(280.759)	(339.341)
Tax calculated at 20% tax rate	56.152	67.868
Difference due to the different tax rates applicable in different countries	(17.315)	(1.075)
Expenses not deductible for tax purposes	(55.434)	(47.850)
Income not subject to tax	5.164	24.620
Utilization of previously unrecognized tax losses	13.095	3.051
Tax losses for which no deferred income tax asset was recognized	(66.056)	(132.553)
Adjustment effects	(3.080)	(353)
Withholding tax related to the dividend payment in Russia	(2.999)	(1.606)
Other	(4.712)	(349)
Current year tax	**(75.185)**	**(88.247)**

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NOTE 36 – EARNINGS/LOSS PER SHARE

(Losses)/earnings per share based on share groups are as follows:

	2010	**2009**
(Losses)/profit attributable to equity holders of the Parent Company	656.204	(114.113)
Weighted average number of shares with face value of TRY 1 each	2.450.000	2.450.000
(Loss)/earnings per share (TRY)	**0,27**	**(0,05)**

	2010	**2009**
Net income related to discontinued operations	962.673	111.272
- Net loss for the period on continued operations of non-controlling interest	(1.077)	(2.396)
-Net gain for the period on discontinued operations of equity holders of the company	963.750	113.668
- Net loss for the period on continued operations of equity holders of the company	(307.546)	(227.781)
Weighted average number of shares with face value of TRY 1 each	2.450.000	2.450.000
(Loss)/earnings per share (TRY) for continued operations	**(0,13)**	**(0,09)**

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NOTE 37 - RELATED PARTY DISCLOSURES

The company's ultimate shareholder Doğan Family and other group companies controlled by Doğan Family are defined related party. Related party balances and transactions are listed as below:

i) Amounts due from and due to related parties:

	31 December 2010	**31 December 2009**
Current trade receivables - Due from related parties:		
Medyanet İletişim Reklam Pazarlama ve Turizm A.Ş. ("Medyanet") (*)	5.724	8.232
D Elektronik Şans Oyunları ve Yayıncılık A.Ş. ("D Elektronik Şans Oyunları")	1.567	788
D Market Elektronik Hizmetler ve Ticaret A.Ş. ("D Market")	405	1.016
Doğan Portal ve Elektronik Ticaret A.Ş.	293	753
Doğan Elektronik Turizm Satış Pazarlama Hizmetleri ve Yayıncılık A.Ş.	20	113
Ray Sigorta	-	70
Alo Teledünya A.Ş.	-	345
Yeni Ortadoğu Otomotiv Ticaret A.Ş. ("Yeni Ortadoğu Otomotiv")	-	577
D Yapı ve İnşaat Sanayi ve Ticaret A.Ş. ("D Yapı")	-	110
Other	3.159	1.411
	11.168	**13.415**

(*) Group's receivable from Medyanet is ad sales made over Medyanet.

Current trade payables - Due to related parties:	**31 December 2010**	**31 December 2009**
Yeni Ortadoğu Otomotiv	191	219
Ray Sigorta	8	106
Other	998	117
	1.197	**442**

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NOTE 37 - RELATED PARTY DISCLOSURES (Continued)

ii) Transactions with related parties:

Service and product purchases:	2010	2009
Service and product purchases	7.801	8.991
	7.801	**8.991**

Service and product sales:	2010	2009
Service and product sales:	46.190	35.036

Financial income and expenses:		
Financial income	-	7
Financial expense	-	(6)
	-	**1**

Purchases of property, plant and equipment and intangible assets:		
D Market	592	1.781
Medyanet	9	774
Ortadoğu Otomotiv	-	556
	601	**3.111**

Sales of property, plant and equipment and intangible assets:		
Ortadoğu Otomotiv	6.105	-
	6.105	**-**

Benefits provided to board members and key management personnel

Group determined member of the board of the directors, consultant of the board, group presidents, chief legal counsel, division heads, coordinators key management personnel. Benefits provided to board members and key management personnel are wage, premium, health insurance and transportation. Total of the benefits provided to board members and key management personnel is as below;

	2010	2009
Fees and other short-term benefits	3.425	3.856
Post-employment benefits	-	-
Other long-term benefits	-	-
Benefits due to layoffs	-	-
Share-based payments	-	-
Total	**3.425**	**3.856**

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NOTE 38 - FINANCIAL RISK MANAGEMENT

Financial instruments and financial risk management

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

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

a) Market Risk

a.1) Foreign currency risk

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

The Group is exposed to foreign exchange risk arising primarily from the US Dollars and Euros.

	31 December 2010	**31 December 2009**
Foreign currency assets	2.980.612	2.093.995
Foreign currency liabilities	(2.033.596)	(3.509.234)
Net asset position of off-balance sheet derivatives	12.424	133.804
Net foreign currency position	**959.440**	**(1.281.435)**

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NOTE 38 - FINANCIAL RISK MANAGEMENT (Continued)

Net foreign currency position

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

31 December 2010

	TRY Equivalent	US Dollar	Euro	Other
1. Trade Receivables	92.666	47.579	37.732	7.355
2a. Monetary Financial Assets Cash, Banks included)	2.846.543	1.710.066	1.112.143	24.334
2b. Non-Monetary Financial Assets	-	-	-	-
3. Other	14.618	8.624	2.446	3.548
4. Current Assets (1+2+3)	**2.953.827**	**1.766.269**	**1.152.321**	**35.237**
5. Trade Receivables	245	9	236	-
6a. Monetary Financial Assets	15.693	15.475	70	148
6b. Non-Monetary Financial Assets	-	-	-	-
7. Other	10.995	473	10.522	-
8. Non-Current Assets (5+6+7)	**26.933**	**15.957**	**10.828**	**148**
9. Total Assets (4+8)	**2.980.760**	**1.782.226**	**1.163.149**	**35.385**
10. Trade Payables	139.211	32.359	97.342	9.510
11. Financial Liabilities	738.076	490.978	230.587	16.511
12a. Other Monetary Financial Liabilities	77.912	41.342	3.566	33.004
12b. Other Non-Monetary Financial Liabilities	391	205	186	-
13. Current Liabilities (10+11+12)	**955.590**	**564.884**	**331.681**	**59.025**
14. Trade Payables	-	-	-	-
15. Financial Liabilities	1.037.480	946.550	62.546	28.384
16a. Other Monetary Financial Liabilities	38.695	38.650	-	45
16b. Other Non-Monetary Financial Liabilities	1.831	1.388	443	-
17. Non-Current Liabilities (14+15+16)	**1.078.006**	**986.588**	**62.989**	**28.429**
18. Total Liabilities (13+17)	**2.033.596**	**1.551.472**	**394.670**	**87.454**
19. Net asset / liability position of Off-balance sheet derivatives (19a-19b)	**12.424**	**70.351**	**(54.413)**	**(3.514)**
19.a Off-balance sheet foreign currency derivative assets	**81.021**	**70.351**	**10.284**	**386**
19b. Off-balance sheet foreign currency derivative liabilities	**68.597**	**-**	**64.697**	**3.900**
20. Net foreign currency asset liability position (9-18+19)	**959.588**	**301.105**	**714.066**	**(55.583)**
21. Net foreign currency asset / liability position of monetary items (1+2a+5+6a-10-11-12a-14-15-16a)	**923.773**	**223.250**	**756.140**	**(55.617)**
22. Fair value of foreign currency hedged financial assets				
23. Exports	**339.318**	**117.639**	**191.717**	**29.962**
24. Imports	**211.285**	**122.557**	**88.514**	**214**

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

NOTE 38 - FINANCIAL RISK MANAGEMENT (Continued)

31 December 2009

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

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

NOTE 38 - FINANCIAL RISK MANAGEMENT (Continued)

As of 31 December 2010 and 31 December 2009 foreign currency denominated asset and liability balances were converted with the following exchange rates; TRY 1,5460 = USD 1 and TRY 2,0491 = EURO 1 (2009: TRY 1,5057 = USD 1 and TRY 2,1603 = EURO 1)

31 December 2010

	Profit/Loss	
	Appreciation of foreign currency	**Depreciation of foreign currency**
	If USD appreciated against TRT by 10%	
1- US Dollar net asset/(liability)	30.110	(30.110)
2- Part of hedged from US Dollar risk (-)	-	-
3- US Dollar net effect-gain/(loss) (1+2)	**30.110**	**(30.110)**
	If Euro appreciated against TRY by 10%	
4- Euro net asset/(liability)	71.407	(71.407)
5- Part of hedged from Euro risk (-)	-	-
6- Euro net effect-gain/(loss) (4+5)	**71.407**	**(71.407)**
	If other foreign currency appreciated against TRY by 10%	
7- Other foreign currency net asset/(liability)	(5.558)	5.558
8- Part of hedged other foreign currency risk (-)	-	-
9- Other foreign currency net effect-gain/(loss) (7+8)	**(5.558)**	**5.558**
Total(3+6+9)	**95.959**	**(95.959)**

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

NOTE 38 - FINANCIAL RISK MANAGEMENT (Continued)

31 December 2009

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

a.2) Interest rate risk

- Media

The Group is exposed to interest rate risk through the impact of rate changes on interest bearing 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.

- Other

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

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

NOTE 38 - FINANCIAL RISK MANAGEMENT (Continued)

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

	31 December 2010	31December 2009
Financial instruments with fixed interest rate		
Assets which difference between fair value less cost to sell with book value booked at statements of income	511.359	2.652.503
Financial liabilities	718.141	916.846
Financial instruments with floating interest rate		
Financial liabilities	1.458.188	1.736.425

Based on the current balance sheet as of 31 December 2010, if there is 1% decrease/ increase in the floating interest rates of financial liabilities for the Media, Energy and other segments of the Group and if the other variables are kept constant; the net loss before minority and taxation of the Group is going to increase/decrease by TRY 14.582 (2009: the net loss before minority and taxation of the Group is going to increase/decrease by TRY 17.364).

a.3) Price Risk

- Energy

The Group is exposed to price risk due to the differences between petroleum product stocks value and the product prices traded in international commodity market which subsequently affects sales price adversely. In order to avoid the negative price fluctuations on sales price, the Group entered into fair value hedge contracts. Income/expense that is occured from these transactions were inclueded to cost of sales until the operation discontinued date in this sector, 22 December 2010. As of 31 December 2010, TRY 17.153 (31 December 2009: TRY 29.957) loss from these transaction were included to cost of sales of discontinued operations. Group will not be exposed to price risk for future period as a result of exiting energy segment by disposing its joint venture interest in POAŞ in the prospective period.

b) Funding risk

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

c) Credit risk

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

- Media

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

- Other

These risks are responded by, mitigating the average risk in each agreement against the counter party (excluding related parties) and obtaining sufficient collateral where appropriate.

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

NOTE 38 - FINANCIAL RISK MANAGEMENT (Continued)

The Group's credit risk of financial instruments as of 31 December 2010 is as follows:

	Trade Receivables		**Other Receivables**		**Cash and cash equivalents**	**Derivative Instruments**
	Related Party	**Other**	**Related Party**	**Other**		
Maximum net credit risk as of balance sheet date	**11.168**	**745.052**	**-**	**16.117**	**3.462.437**	**-**
- The part of maximum risk under guarantee *with colleteral*	-	*67.852*	-	*481*	-	-
A. Net book value of financial that are not past due/impaired	11.168	558.845	-	16.117	3.462.437	-
B. Net book value of financial assets that are renegotiated, if not that will be accepted as past due or impaired	-	-	-	-	-	-
C. Carrying value of financial assets that are past due but npt impaired	-	186.207	-	-	-	-
- The part under guarantee with colleteral etc.	-	27.670	-	-	-	-
D. Net book value of impaired assets	-	-	-	-	-	-
- Past due (gross carrying amount)	-	191.556	-	2.879	-	-
- Impairment (-)	-	(191.556)	-	(2.879)	-	-
- The part of net value under guarantee with colleteral	-	-	-	-	-	-
- Not over due (gross carrying amount)	-	2.106	-	-	-	-
- Impairment (-)	-	(2.106)	-	-	-	-
- The part of net value under guarantee with colleteral	-	-	-	-	-	-
E. Off-balance sheet items with credit risk	-	-	-	-	-	

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

NOTE 38 - FINANCIAL RISK MANAGEMENT (Continued)

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

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

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

NOTE 38 - FINANCIAL RISK MANAGEMENT (Continued)

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

	31 December 2010		31 December 2009	
	Trade Receivables	**Other Receivables**	**Trade Receivables**	**Other Receivables**
From due date				
Past due 1-30 days	93.415	-	93.233	-
Past due 1-3 months	31.362	-	52.243	-
Past due 3-12 months	44.806	-	49.106	-
Past due 1-5 years	14.773	-	16.247	-
Past due more than 5 years	1.851	-	410	-
Under guarantee with collateral	27.670	-	65.190	-

d) Liquidity risk

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

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

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

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NOTE 38 - FINANCIAL RISK MANAGEMENT (Continued)

d) Liquidity risk(Continued)

31 December 2010	Carrying value	Total cash outflow according to contract	Less than 3 Months	3-12 Months	1-5 Years	More than 5 years
Non-derivative financial liabilities						
Bank borrowings (Note 8)	2.110.017	2.595.251	507.257	894.980	1.076.836	116.178
Trade payables (Note 10)	396.262	396.276	389.993	5.573	710	-
Other financial liabilities (Note 9)	295.556	301.782	2.733	54.229	244.820	-
	2.801.835	**3.293.309**	**899.983**	**954.782**	**1.322.366**	**116.178**
Derivative financial liabilities						
Derivative cash inflow	-	64.649	10.352	52.290	2.007	-
Derivative cash outflow	(9.687)	(73.216)	(10.967)	(57.940)	(4.309)	-
Derivative cash inflow/outflow, net	**(9.687)**	**(8.567)**	**(615)**	**(5.650)**	**(2.302)**	**-**

31 December 2009	Carrying value	Total cash outflow according to contract	Less than 3 Months	3-12 Months	1-5 Years	More than 5 years
Non-derivative financial liabilities						
Bank borrowings (Note 8)	2.827.908	2.998.519	460.406	852.863	1.682.455	2.795
Trade payables (Note 10)	1.573.811	1.598.232	523.685	740.803	333.744	-
Other financial liabilities (Note 9)	20.477	19.790	3.708	15.340	742	-
	4.422.196	**4.616.541**	**987.799**	**1.609.006**	**2.016.941**	**2.795**
Derivative financial liabilities						
Derivative cash inflow	22.337	253.142	115.943	137.199	-	-
Derivative cash outflow	(2.631)	(248.577)	(124.663)	(123.914)	-	-
Derivative cash inflow/outflow, net	**19.706**	**4.565**	**(8.720)**	**13.285**	**-**	**-**

e) Fair value of financial instruments

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

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

NOTE 38 - FINANCIAL RISK MANAGEMENT (Continued)

e) Fair value of financial instruments(Continued)

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

Monetary assets

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

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

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

Monetary liabilities

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

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

Trade payables are disclosed at their amortised cost using the effective interest rate method and accordingly their carrying amounts approximate their fair values..

f) *Capital risk management*

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

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

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

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NOTE 38 - FINANCIAL RISK MANAGEMENT (Continued)

f) Capital risk management (Continued)

	31 December 2010	**31 December 2009**
Total debts	2.507.476	4.402.161
Less: Cash and cash equivalents (Note 6)	(3.458.829)	(2.034.716)
Net debt	(951.353)	2.367.445
Equity	3.864.544	3.474.105
Total equity	2.913.191	5.841.550
Gearing ratio	**-33%**	**41%**

NOTE 39 - 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.

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

NOTE 39 - FINANCIAL INSTRUMENTS (Continued)

Based on the fair value hierarchy, financial assets and liabilities are categorized as follow:

		Fair value at reporting date		
Financial assets	**31 December 2010**	**Level 1 TRY**	**Level 2 TRY**	**Level 3 TRY**
Financial assets at FVTPL				
Trading securities	82.904	82.904	-	-
Trading derivatives	-	-	-	-
Available-for –sale financial assets	-	-	-	-
Equity investment	-	-	-	-
Total	**82.904**	**82.904**	**-**	**-**
Financial liabilities				
Financial liabilities at FVTPL				
Trading securities	-	-	-	-
Derivative instruments	9.687	9.687	-	-
Other financial liabilities	-	-	-	-
Total	**9.687**	**9.687**	**-**	**-**

		Fair value at reporting date		
Finansal assets	**31 December 2009**	**Level 1 TRY**	**Level 2 TRY**	**Level 3 TRY**
Financial assets at FVTPL				
Trading securities	18.363	18.363	-	-
Trading derivatives	-	-	-	-
Available-for –sale financial assets	-	-	-	-
Equity investment	-	-	-	-
Total	**18.363**	**18.363**	**-**	**-**
Financial liabilities	-	-	-	-
Financial liabilities at FVTPL				
Trading securities	-	-	-	-
Derivative instruments	1.915	-	1.915	-
Other financial liabilities	-	-	-	-
Total	**1.915**	**-**	**1.915**	**-**

NOTE 40 - SUBSEQUENT EVENTS

- Information about Group's tax law suits and penalties after the date of 1 January 2011 is given in Note 22.

- Related with the 120 MW capacity hydroelectric power plant within Aslancık, where Group hold 33.33% joint venture interest, long term finance loan amounting to 160.000 USD was obtained on 25 January 2011. Group became a party to the loan as the guarantor limited to the completion of the construction and its share ratio (33,33%) in the capital. Signed loan agreement, depending on the completion of the construction, has a maturity of 12 years without making capital payment for 3,5 year. Group management anticipates that the construction of hydroelectric power plant within Aslancık will be completed in the last quarter of 2013.

- The transfer of 1.370.698.559 number of shares (which represent 10% of the capital 1.370.698.561 minus one share) of Ray Sigorta, which is the available for sale asset of the Group, with a nominal value of 1Kr. to Vienna Insurance Group AG and 2 number of shares of it to TBIH Financial Services Group NV. (TBIH) was completed at 2 February 2011. The total number of shares was sold for USD 22.907 in cash. After the transfer of shares the company does not have any share on Ray Sigorta A.Ş.

- The financial statements as of 31 December 2010 have been approved by the Board of Directors at 2 April 2011. Other than Board of Directors has no authority to change financial statements. The financial statements will be definite following their approval in the General Assembly.

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

NOTE 41 - DISCLOSURE OF OTHER MATTERS

Disposal of joint venture interest in POAŞ

As described in detail below, on 22 December 2010, Group disposed;

- Shares in the capital of "POAŞ" comprising of 312.665.847,814 number of shares in total with the total amount of TRY 312.665.847,814 including 116.315.847,814 number of Class A bearer shares with the nominal value of TRY 1 (One TRY) per share and 196.350.000 number of Class A registered shares with the nominal value of TRY 1 (One TRY) per share, which totally corresponds to 54,14% of the capital of POAŞ for prices of 499.700.000,-Euro and 694.583.000,-USD,
- "Restricted share certificates" corresponding to 0,03% of the capital of "POAŞ" (currently calculated as 192.500 number of shares) for a price of 600.000,-Euro upon the release of the related restriction status,
- Shares in the capital of ERK Petrol Yatırımları A.Ş. comprising of 2.000 number of shares with a nominal value of TRY 1 (One TRY) per share registered in the stock certificate book and corresponding to 0,01% of the capital of ERK Petrol Yatırımları A.Ş. for a price of TRY 2,06254 based on their registered value,
- Shares in the capital of Petrol Ofisi Gaz İletim A.Ş. comprising of 2.000 number of shares with a nominal value of TRY 1 (One TRY) per share registered in the stock certificate book and corresponding to 0,05% of the capital of Petrol Ofisi Gaz Iletim A.Ş. for a price of TRY 2 based on their registered value,
- Shares in the capital of Petrol Ofisi Alternatif Yakıtlar Toptan Satış A.Ş. comprising of 1.777,78 number of shares with a nominal value of TRY 1 (One TRY) per share registered in the stock certificate book with fraction receipts and corresponding to 0,02% of the capital of Petrol Ofisi Alternatif Yakıtlar Toptan Satış A.Ş. for a price of TRY 1,77778 based on their registered value,

be sold to the company of OMV Enerji Holding A.Ş. against full and cash payment in accordance with the related "Stock Sale Agreements" executed. The stock transfer prices of the shares of subsidiaries excluding "POAŞ" are also included in the total amount specified above (499.700 Euro and 694.583 USD).

Gain of disposal of joint ventures

	31 December 2010
Consideration received	2.095.253
Book value of net assets	(1.062.765)
Non-controlling interests	11.115
Sales profit	**1.043.603**

As of 22 December 2010, 54,14% (stock sale rate) shares in capital of POAŞ be transferred, and gain on disposal amounting to TRY 1.043.603 reclassified under disountinued operations. Group, has consolidated 54,17% of net assets of POAŞ until 22 December 2010 by proportionate consolidation method. Restricted share corresponding to 0,03% of the capital of POAŞ which can not be transferred, reclassified to non-current avalaible for sale financial investments as of 31 December 2010.

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

NOTE 41 - DISCLOSURE OF OTHER MATTERS (Continued)

Net cash inflow on disposal of subsidiary

Consideration received in cash and cash equivalents	2.095.253
Less: cash and cash equivalents balances disposed of	(217.318)
	1.877.935

Book value of net assets disposed

	31 December 2010
Current assets	**1.412.884**
Cash and cash equivalents	217.318
Financial assets	14.296
Trade receivables	578.053
Other receivables	17.874
Inventories	521.978
Other current assets	63.365
Non-current assets	**2.113.547**
Trade receivables	5.608
Other receivables	240
Financial investments	74
Tangible assets	939.363
Intagible assets	297.838
Goodwill	797.085
Deferred tax assets	8.006
Other non-current assets	65.333
Short-term liabilities	**1.078.998**
Financial payables	461.741
Other financial liabilities	5.256
Trade payables	313.855
Other payables	208.283
Comporate tax liability	1.581
Provisions	24.151
Other short-term liabilities	64.131
Long-term liabilities	**1.383.882**
Financial liabilities	1.299.163
Other liabilities	977
Provisions	1.454
Provisions for employment benefits	5.974
Deferred tax liabilities	76.311
Other long-term liabilities	3
Net assets disposed from consolidation	**1.063.551**
Interest classified to avalabile for sale financial assets	786
Non-controlling interests	11.115
Gain on disposal	**1.043.603**

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

NOTE 42 - CONSOLIDATED CASH FLOWS STATEMENT - CASH USED IN OPERATIONS

	Notes	1 January- 31 December 2010	1 January- 31 December 2009
Loss before taxation from continued operations		(280.759)	(339.341)
Profit before taxation from discontinued operations	34	1.008.516	138.848
Adjustments:			
Depreciation and amortization	17-18-19	401.569	395.607
Provision for employment termination benefits	24	28.264	17.031
Interest expenses, net		23.915	147.678
Currency translation differences		(6.652)	(4.461)
Fair value changes in derivative financial instruments		9.687	-
Profit on sale of property, plant and equipment	31	(14.684)	458
Impairment provision/(reversal) of investment property, plant and equipment and intangible assets, net	17-18-19	86.457	11.212
Profit arising from the sale of Subsidiaries joint Ventures and investments	41	(1.043.603)	(22.542)
Provision/(reversal) of net realizable value		292	(32.836)
Provision for doubtful receivables	10	56.092	54.316
Foreign exchange loss from loans and letter of credits		(16.321)	172.383
Foreign exchange gain from put option liability		(333)	-
Other provisions		3.540	50.054
Impairment for goodwill	20	29.030	8.953
Profit from purchase of subsidiaries stocks	31	-	(38.953)
		285.010	**558.407**
Changes in working capital (excluding the effects of acquisitions and disposals):			
Change in financial investments and investments accounted for by the equity method, net		23.687	(137.683)
Change in trade receivables, net		(228.787)	(62.670)
Change in inventories, net		(100.368)	34.495
Change in trade payables, net		488.331	7.806
Change in long-term trade payables, net		(315.730)	(207.270)
Change in other payables/receivables, net		12.361	59.345
		(120.506)	**(305.977)**
Net cash provided in operating activities		**164.504**	**252.430**

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