

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**CONVENIENCE TRANSLATION INTO ENGLISH OF
CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD 1 JANUARY – 30 SEPTEMBER 2012**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD 1 JANUARY - 30 SEPTEMBER 2012**

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

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

CONSOLIDATED BALANCE SHEETS AT 30 SEPTEMBER 2012 AND 31 DECEMBER 2011

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

	Notes	USD(*) 30 September 2012	Unaudited 30 September 2012	Audited 31 December 2011
ASSETS				
Current Assets		2.169.249	3.871.459	4.989.796
Cash and cash equivalents	6	1.224.259	2.184.935	3.468.486
Financial investments	7	111.451	198.907	191.672
Trade receivables				
- Due from related parties	27	6.391	11.406	4.511
- Other trade receivables	9	404.008	721.033	679.652
Other receivables				
- Due from related parties	27	1.926	3.438	3.702
- Other receivables	10	59.657	106.470	34.858
Financial derivative assets	7	1.659	2.961	4.640
Inventories		133.049	237.453	253.104
Biological assets		31	55	74
Other current assets	17	226.817	404.801	268.410
Sub-total		2.169.249	3.871.459	4.909.109
Non-current assets as held for sale		-	-	80.687
Non-current Assets		2.533.241	4.521.075	3.654.678
Trade receivables	9	84.725	151.208	133.527
Other receivables	10	253.264	452.001	399.849
Inventories		-	-	18.096
Financial investments	7	3.582	6.392	5.730
Investment properties	11	117.667	210.000	148.601
Property, plant and equipment	12	930.920	1.661.413	1.217.645
Intangible assets	12	389.448	695.047	727.226
Goodwill	13	441.764	788.417	539.951
Deferred income tax asset	26	47.029	83.933	90.124
Other non-current assets	17	264.842	472.664	373.929
TOTAL ASSETS		4.702.490	8.392.534	8.644.474

The consolidated financial statements for the interim period ended 30 September 2012 have been approved by the Board of Directors on 15 November 2012.

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

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

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

CONSOLIDATED BALANCE SHEETS AT 30 SEPTEMBER 2012 AND 31 DECEMBER 2011

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

	Notes	USD(*) 30 September 2012	Unaudited 30 September 2012	Audited 31 December 2011
LIABILITIES				
Current Liabilities		1.161.364	2.072.686	2.027.289
Borrowings and financial liabilities	8	689.469	1.230.495	934.850
Other financial liabilities	8	96.125	171.555	71.561
Financial derivative liabilities		1.990	3.551	6.610
Trade payables				
- Due to related parties	27	10.882	19.421	246
- Other trade payables	9	205.515	366.783	444.997
Other payables	10	48.742	86.989	89.907
Current income tax liabilities	26	5.312	9.480	38.858
Provisions	15	28.057	50.074	44.093
Other current liabilities	17	75.272	134.338	396.167
Other current liabilities		1.161.364	2.326.403	2.766.116
Borrowings and financial liabilities	8	996.063	1.777.674	1.623.232
Other financial liabilities	8	168.805	301.266	456.520
Trade payables to related parties	27	5.937	10.596	-
Other payables	10	29.125	51.979	96.452
Provisions		-	-	265
Provisions for employment benefits		29.849	53.272	49.311
Other non-current liabilities	17	4.168	7.438	405.583
Deferred income tax liabilities	26	69.579	124.178	134.753
SHAREHOLDERS' EQUITY		2.237.600	3.993.445	3.851.069
Equity Attributable to Equity Holders Of The Company	18	1.751.787	3.126.414	3.039.038
Share capital	18	1.372.780	2.450.000	2.450.000
Adjustment to share capital	18	80.420	143.526	143.526
Share premium	18	353	630	630
Revaluation fund	18	16	29	(4.056)
Translation reserve	18	21.390	38.175	67.538
Restricted reserves				
assorted from profit	18	825.031	1.472.433	1.450.139
Retained earnings	18	(617.405)	(1.101.883)	(311.595)
Net income/(loss) for the period		69.202	123.504	(757.144)
Non-controlling interest		485.813	867.031	812.031
TOTAL LIABILITIES		4.702.490	8.392.534	8.644.474

Commitments

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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 PERIODS ENDED 1 JANUARY-30 SEPTEMBER 2012 AND 30 SEPTEMBER 2011

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

		<i>USD (*)</i> 1 January -	<i>Unaudited</i> 1 January -	<i>Unaudited</i> 1 July -	<i>Unaudited</i> 1 January -	<i>Unaudited</i> 1 July -
	Notes	30 September	30 September	30 September	30 September	30 September
		2012	2012	2012	2012	2011
Continued Operations						
Sales	19	1.287.086	2.297.063	732.497	2.073.233	673.870
Cost of sales (-)	19-21	(909.304)	(1.622.888)	(511.694)	(1.472.664)	(506.995)
Gross operating profit	19	377.753	674.175	220.803	600.569	166.875
Marketing, selling and distribution expenses (-)	20-21	(166.593)	(297.318)	(102.523)	(262.428)	(98.432)
General administrative expenses (-)	20-21	(163.515)	(291.825)	(96.163)	(263.963)	(85.297)
Other income	22	145.582	259.821	34.761	48.971	12.030
Other expenses (-)	22	(52.002)	(92.808)	(17.113)	(998.448)	(28.638)
Operating loss		141.225	252.045	39.765	(875.299)	(33.462)
Financial income	23	236.970	422.921	101.564	881.045	434.385
Financial expenses (-)	24	(231.477)	(413.117)	(67.754)	(709.780)	(389.335)
Gain/(loss) before taxation from continued operations		146.719	261.849	73.575	(704.034)	11.588
Tax expenses from continued operations	26	(41.276)	(73.666)	(18.361)	(186.948)	(58.616)
Current tax expense		(40.667)	(72.579)	(9.187)	(161.785)	(59.652)
Deferred tax (expenses)/income		609	(1.087)	(9.174)	(25.163)	1.036
Gain/(loss) from continued operations from continued operations		105.442	188.183	55.214	(890.982)	(47.028)
Discontinued operations						
Loss after tax from discontinued operations	25	-	-	-	(70.774)	(16.008)
Net income/(loss) for the period		105.442	188.183	55.214	(961.750)	(63.036)
Distribution of gain/(loss) for the period						
Attributable to non-controlling interests		36.241	64.679	22.881	(264.012)	(38.128)
Attributable to equity holders of the company		69.202	123.504	32.333	(697.744)	(24.908)
Earnings /(loss) per share for profit attributable to equity holders of the company		0,0280	0,050	0,013	(0,285)	(0,010)
Total gain/(loss) from continuing operations for profit attributable to equity holders of the company		0,0280	0,050	0,013	(0,267)	(0,006)

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DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

CONSOLIDATED STATEMENTS OF INCOME

FOR THE PERIODS ENDED 1 JANUARY-30 SEPTEMBER 2012 AND 30 SEPTEMBER 2011

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

	<i>USD (*)</i> 1 January - 30 September 2012	<i>Unaudited</i> 1 January - 30 September 2012	<i>Unaudited</i> 1 July - 30 September 2012	<i>Unaudited</i> 1 January - 30 September 2011	<i>Unaudited</i> 1 July - 30 September 2011
(Loss) / income for the Period	105.442	188.183	55.214	(961.756)	(63.036)
<u>Other Comprehensive Income:</u>					
Change in Financial Assets					
Fair Value Reserve	2.289	4.085	2.484	(4.070)	(2.125)
Change in Translation Reserves	(24.987)	(44.594)	12.086	119.048	23.976
Other Comprehensive Income (After Income Tax)	(22.698)	(40.509)	14.570	114.978	21.851
Total Comprehensive Income/Expense	82.744	147.674	69.784	(846.778)	(41.185)
<u>Allocation of Total Comprehensive Expense</u>					
Attributable to non-controlling interests	27.707	49.448	(1.861)	(222.137)	(35.155)
Attributable to equity holders of the company	55.038	98.226	71.645	(624.641)	(6.030)

(*) As explained in the Note 2.1.3 to the condensed consolidated financial statements, USD amounts shown in these condensed 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 condensed consolidated financial statements prepared in accordance with generally accepted accounting standards issued by the Capital Market Board ("CMB") as at 30 September 2012.

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 STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE PERIODS ENDED 1 JANUARY-30 SEPTEMBER 2012 AND 30 SEPTEMBER 2011**

(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	Translation reser	Restricted reserve	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 2011	18	2.450.000	143.526	630	13.918	(3.939)	696.888	(92.683)	656.204	3.864.544	756.498	4.621.042
Transfers		-	-	-	-	-	753.251	(97.047)	(656.204)	-	-	-
Dividend payments of joint ventures to non-group parties		-	-	-	-	-	-	-	-	-	247.604	247.604
Sales of financial assets		-	-	-	(13.271)	-	-	13.271	-	-	-	-
Subsidiaries to pay dividends out of the group		-	-	-	-	-	-	-	-	-	(15.900)	(15.900)
Financial liabilities subject to put option non- controlling interest		-	-	-	-	-	-	-	-	-	-	-
Other (1)		-	-	-	-	-	-	-	-	-	(1.524)	(1.524)
Total comprehensive loss		-	-	-	(4.070)	77.173	-	-	(697.744)	(624.641)	(222.137)	(846.778)
-Change in financial asset fair value reserve, net		-	-	-	(4.070)	-	-	-	-	(4.070)	-	(4.070)
-Currency translation differences		-	-	-	-	77.173	-	-	-	77.173	41.8752	119.048
- Net loss for the period		-	-	-	-	-	-	-	(697.744)	(697.744)	(264.012)	(961.756)
Balances at 30 September 2011	18	2.450.000	143.526	630	(3.423)	73.234	1.450.139	(176.459)	(697.744)	3.239.903	764.541	4.004.444
Balances at 1 January 2012	18	2.450.000	143.526	630	(4.056)	67.538	1.450.139	(311.595)	(757.144)	3.039.038	812.031	3.851.069
Transfers from retained earnings		-	-	-	-	-	22.294	(779.438)	757.144	-	-	-
Dividend payments of joint ventures to non-group parties		-	-	-	-	-	-	-	-	-	1.960	1.960
Share transfer of joint venture		-	-	-	-	-	-	-	-	-	(9.532)	(9.532)
Financial liabilities subject to put option non- controlling interest	15	-	-	-	-	-	-	21.374	-	21.374	25.762	47.136
Share purchase of subsidiary	15	-	-	-	-	-	-	(32.224)	-	(32.224)	(13.588)	(45.812)
Other ⁽¹⁾		-	-	-	-	-	-	-	-	-	950	950
Total comprehensive gain		-	-	-	4.085	(29.363)	-	-	123.504	98.226	49.448	147.674
-Change in financial asset fair value		-	-	-	4.085	-	-	-	-	4.085	-	4.085
-Currency translation differences		-	-	-	-	(29.363)	-	-	-	(29.363)	(15.231)	(44.594)
- Net profit for the period		-	-	-	-	-	-	-	123.4041	123.504	64.679	188.183
Balances at 30 September 2012	18	2.450.000	143.526	630	29	38.175	1.472.433	(1.101.883)	123.504	3.126.414	867.031	3.993.445

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

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 STATEMENT OF CASH FLOWS FOR THE
PERIODS ENDED 1 JANUARY-30 SEPTEMBER 2012 AND 30 SEPTEMBER 2011**

(Amounts expressed in thousands of Turkish Lira ("TRY") unless otherwise indicated.)

		USD (*) 1 January- 30 September 2012	Unaudited 1 January- 30 September 2012	Unaudited 1 January- 30 September 2011
Profit / (loss) before income taxes from continued operations		146.719	261.849	(704.034)
Profit / (loss) before income taxes from discontinued operations	25	-	-	(59.300)
Adjustments:				
Depreciation and amortization	11-12	92.714	165.466	177.617
Increase in provision for employee termination benefits		7.351	13.119	14.973
Interest expenses	24	37.595	67.095	128.804
Foreign currency translation difference		(3.584)	(6.397)	40.228
Change in fair value of derivative financial instruments		2.655	4.738	(3.187)
Gain from sale of property, plant and equipment and intangible assets,net	22	(86.648)	(154.640)	(4.174)
Losses from sale of property, plant and equipment and intangible assets,net	22	(8.537)	15.236	3.360
Provision/(reversal) for investment properties, property, plant and equipment and intangible assets, net	11-12	(421)	751	2.634
Investment properties, property, plant and equipment and intangible assets, reversal of provision for impairment, net	11-12	(1.099)	(1.961)	-
Gain on sale of subsidiary		(764)	(1.363)	(16.589)
Provision/(reversal) for doubtful receivables	9	10.069	17.971	22.442
Expense for tax base increase liability regarding Law 6111		-	-	95.510
Disputed tax debt expense regarding Law 6111		-	-	844.993
Disputed tax debt and financial expense for tax base increase liability regarding Law 611	24	11.271	20.115	20.946
Unearned finance income and credit finance expense due to sales with maturity		13.520	24.130	12.190
Withdrawal of provision for of impairment on inventories		(1.234)	(2.202)	(8.923)
Provision for impairment on inventories		827	1.476	-
Gain on sale of available for sale financial assets	22	-	-	(11.278)
Legal law expenses	22	(5.376)	(9.595)	(5.119)
Acquisition of subsidiaries, associated with difference in income statement as a temporary post		351	627	-
Interest income	23	(71.959)	(128.426)	(153.792)
Deferred finance expense and credit finance income due to purchasewith maturity	23	(25.989)	(46.382)	(28.291)
Unrealized foreign currency rate (gain)/ loss related to financial liabilities (net)		(83.115)	(148.335)	286.616
Compensation on termination related to Turner put option contract	22	(25.644)	(45.767)	-
Loss from withdrawal from 2. and 3. Section of Milpark Project	22	14.035	25.049	-
Provision for unused vacation		(506)	(903)	(1.786)
		22.231	71.651	653.840
Changes in assets and liabilities:				
Increase/(decrease) in financial investments		(1.485)	(2.650)	(2.963)
Increase in trade receivables and due from related parties		(50.754)	(90.581)	(111.923)
Decrease/(increase) in inventories		5.023	8.965	(13.252)
Decrease/(increase) in other receivables		16.069	28.671	(59.396)
(Decrease)/increase in trade payables and due to related parties		(24.896)	(44.432)	43.502
Decrease in other current assets		16.059	28.661	(6.435)
Increase in other non-current assets		(3.447)	(6.152)	(81.463)
(Decrease)/increase in other short term liabilities		(2.974)	5.308	43.871
Employment termination benefits paid		(5.131)	(9.158)	(4.747)
Taxes paid		(57.128)	(101.957)	(130.326)
Increase/(decrease) in debt provisions		8.728	15.576	(27.926)
Increase in long term liabilities		(3.546)	(6.328)	47.989
Tax liability in dispute paid regarding 6111 law		(349.518)	(623.785)	(176.048)
Tax base increase paid regarding 6111 law		(12.429)	(22.182)	(70.969)
(Increase) in blocked deposits		(146.557)	(261.559)	(262.452)
Net cash used in operating activities:		(568.895)	(1.009.952)	(158.698)

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DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE
PERIODS ENDED 1 JANUARY-30 SEPTEMBER 2012 AND 30 SEPTEMBER 2011**

(Amounts expressed in thousands of Turkish Lira ("TRY") unless otherwise indicated.)

	Notes	USD (*) 1 January- 30 September 2012	Unaudited 1 January- 30 September 2012	Unaudited 1 January- 30 September 2011
Investing activities:				
Acquisition of property, plant and equipment and intangible assets		(191.374)	(341.546)	(384.535)
Purchase of investment property	11	(44.516)	(79.447)	(9.713)
Proceeds from sale of property, plant and equipment and intangible assets		62.475	111.500	21.335
Purchasing share of subsidiary		(28.080)	(50.114)	-
Purchasing subsidiary	3	(172.064)	(307.083)	-
Cash provided from sale of financial investment		-	-	36.225
Cash provided from sale of subsidiary		-	-	27.424
Net cash used in investing activities		(373.559)	(666.690)	(309.264)
Financing activities:				
Increase / (decrease) in financial borrowings		198.324	353.948	61.894
Interest received		72.901	130.106	159.915
Interest paid		(52.094)	(92.973)	(137.449)
Increasing capital of non-controlling interests		1.098	1.960	247.604
Dividends paid to non-controlling interests		(5.341)	(9.532)	(15.900)
Cash provided from exported financial instrument		6.366	11.362	-
Net cash provided from financing activities		221.197	394.771	316.064
Net decrease in cash and cash equivalents		(718.256)	(1.281.871)	(151.898)
Cash and cash equivalents at the beginning of the period	6	1.937.595	3.458.026	3.458.829
Cash and cash equivalents at the end of the period	6	1.219.339	2.176.155	3.306.931

(*) 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 CMB as at 30 September 2012.

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

**CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS
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**SELECTED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2012**

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

NOTE 1 - ORGANIZATION AND NATURE OF OPERATIONS

Doğan Şirketler Grubu Holding A.Ş. ("Doğan Holding", "Holding" or the "Company") was established on 22 September 1980 as a corporation to coordinate the activities of and liaise between companies operating in different fields including media, energy, telecommunications, tourism,, manufacturing and marketing and is registered in Turkey. Doğan Holding also provides financial support 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 30 September 2012, %31,15 shares of Doğan Holding are offered to the public (31 December 2011: %32,46). Within the frame of Resolution No.21/655 dated 23 July 2010 of CMB; according to the records of Central Registry Agency, the %34,29 shares of Doğan Holding are to be considered in circulation (Note 18).

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

Burhaniye Mahallesi Kısıklı Caddesi No: 65
Üsküdar 34696 İstanbul

Doğan Holding's principal activities are in Turkey and its activities are presented under three segments for reporting purposes as of 30 September 2012:

- Media
- Retail
- Other

As a result of Doğan Holding's purchase of Doğan Yayın Holding A.Ş.'s subsidiary Doğan Müzik Kitap Mağazacılık ve Pazarlama A.Ş. shares as of 16 January 2012, it has been decided that operation results of Doğan Müzik Kitap Mağazacılık ve Pazarlama A.Ş. and its subsidiary Hür Servis Sosyal Hizmetler ve Ticaret A.Ş. will be specified as a different reporting unit and these subsidiaries' operation results have been represented as "retail" segment since the date of share purchase.

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

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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
Doğan Yayın Holding A.Ş. ("Doğan Yayın Holding or DYH")	Turkey	Holding	Media
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 Ofset Yayıncılık ve Matbaacılık A.Ş. ("Doğan Ofset")	Turkey	Printing services	Media
Posta Haber Ajansı A.Ş. ("Posta Haber")	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")	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
Doğan Haber Ajansı A.Ş. ("Doğan Haber")	Turkey	News agency	Media
Doğan Gazetecilik İnternet Hizmetleri ve Ticaret A.Ş. ("Doğan Gazetecilik İnternet")	Turkey	Internet services	Media
Yenibiriş İnsan Kaynakları Hizmetleri Danışmanlık ve Yayıncılık A.Ş. ("Yenibir")	Turkey	Internet services	Media
Hürriyet Zweigniederlassung GmbH ("Hürriyet Zweigniederlassung")	Germany	Newspaper printing	Media
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
Trader Media East Ltd. ("TME")	Jersey	Investment	Media
Oglasnik d.o.o.	Croatia	Newspaper and internet publishing	Media
TCM Adria d.o.o.	Croatia	Investment	Media
Expressz Magyarorszag Media Kft ⁽¹⁾	Hungary	Newspaper and internet publishing	Media
Mirabridge International B.V.	The Netherlands	Investment	Media
Publishing International Holding B.V.	The Netherlands	Investment	Media
Pronto Invest 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	Kazakhstan	Newspaper and internet publishing	Media
OOO Novoprint	Russia	Newspaper and internet publishing	Media
OOO Delta-M	Russia	Newspaper and internet publishing	Media
OOO Pronto Baikal	Russia	Newspaper and internet publishing	Media
Job.ru LLC	Russia	Newspaper and internet publishing	Media
OOO Pronto DV	Russia	Internet publishing	Media
OOO Pronto Ivanovo	Russia	Newspaper and internet publishing	Media
OOO Pronto Kaliningrad	Russia	Newspaper and internet publishing	Media
OOO Pronto Kazan	Russia	Newspaper and internet publishing	Media
OOO Pronto Krasnodar	Russia	Newspaper and internet publishing	Media
OOO Pronto Krasnoyarsk	Russia	Newspaper and internet publishing	Media
OOO Pronto Nizhny Novgorod	Russia	Newspaper and internet publishing	Media
OOO Pronto Novosibirsk	Russia	Newspaper and internet publishing	Media
OOO Pronto Oka	Russia	Newspaper and internet publishing	Media
OOO Pronto Samara	Russia	Newspaper and internet publishing	Media
OOO Pronto 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 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

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NOTE 1 - ORGANIZATION AND NATURE OF OPERATIONS (Continued)

Subsidiaries	Country	Nature of business	Segment
OOO Pronto Pskov	Russia	Internet publishing	Media
OOO SP Belpronto	Belarus	Newspaper and internet publishing	Media
OOO Pronto Rostov	Russia	Newspaper and internet publishing	Media
ZAO Pronto Akzhol	Kazakhstan	Newspaper and internet publishing	Media
TOO Pronto Akmola	Kazakhstan	Newspaper and internet publishing	Media
OOO Pronto Atyrau	Kazakhstan	Newspaper and internet publishing	Media
OOO Pronto Aktau	Kazakhstan	Newspaper and internet publishing	Media
SP Pronto Kiev	Ukraine	Newspaper and internet publishing	Media
OOO Rosprint Samara	Russia	Printing services	Media
OOO Partner-Soft	Russia	Internet publishing	Media
Pronto Soft	Belarus	Internet publishing	Media
TOV E-Prostir	Ukraine	Internet publishing	Media
Impress Media Marketing LLC	Russia	Publishing	Media
OOO Rektcentr	Russia	Investment	Media
ZAO NPK	Russia	Call center	Media
Publishing House Pennsylvania Inc.	USA	Investment	Media
Pronto Ust Kamenogorsk	Kazakhstan	Newspaper publishing	Media
Sklad Dela Prekmurje NGO	Slovenia	Internet publishing	Media
Nartek Bilişim Turizm ve Pazarlama Hizmetleri Ticaret A.Ş. (“Nartek”)	Turkey	Internet publishing	Media
Doğan TV Holding A.Ş. (“Doğan TV Holding”)	Turkey	TV Publishing	Media
DTV Haber ve Görsel Yayıncılık A.Ş. (“Kanal D”)	Turkey	TV Publishing	Media
Kanal D Yapımcılık Reklamcılık ve Dağıtım A.Ş.	Turkey	TV Publishing	Media
Mozaik İletişim Hizmetleri A.Ş. (“Mozaik” or “D-smart”)	Turkey	TV Publishing	Media
Doruk Televizyon ve Radyo Yayıncılık A.Ş. (“Doruk Televizyon” or “CNN Türk”)	Turkey	TV Publishing	Media
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 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. (“Kanal Spor”)	Turkey	TV Publishing	Media
Milenyum Televizyon Yayıncılık ve Yapımcılık A.Ş. (“Milenyum TV”)	Turkey	TV Publishing	Media
TV 2000 Televizyon Yayıncılık Yapımcılık Sanayi ve Ticaret A.Ş. (“TV 2000”)	Turkey	TV Publishing	Media
Popüler Televizyon ve Radyo Yayıncılık A.Ş. (“Popüler TV”)	Turkey	TV Publishing	Media
D Yapım Reklamcılık ve Dağıtım A.Ş. (“D Yapım Reklamcılık”)	Turkey	TV Publishing	Media
Bravo Televizyon ve Radyo Yayıncılık A.Ş. (“Bravo TV”)	Turkey	TV Publishing	Media
Doğa Televizyon ve Radyo Yayıncılık A.Ş. (“Doğa TV”)	Turkey	TV Publishing	Media
Altın Kanal Televizyon ve Radyo Yayıncılık A.Ş. (“Altın Kanal”)	Turkey	TV Publishing	Media
Stil Televizyon ve Radyo Yayıncılık A.Ş. (“Stil TV”)	Turkey	TV Publishing	Media
Selenit Televizyon ve Radyo Yayıncılık A.Ş. (“Selenit TV”)	Turkey	TV Publishing	Media
Trend Televizyon ve Radyo Yayıncılık A.Ş. (“Trend TV” or “D Çocuk”)	Turkey	TV Publishing	Media
Ekinoks Televizyon ve Radyo Yayıncılık A.Ş. (“Ekinoks TV”)	Turkey	TV Publishing	Media
Fleks Televizyon ve Radyo Yayıncılık A.Ş. (“Fleks TV”)	Turkey	TV Publishing	Media
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 ve Televizyon Yayıncılık Yapımcılık Sanayi ve Ticaret A.Ş. (“Galaksi TV”)	Turkey	TV Publishing	Media
Koloni Televizyon ve Radyo Yayıncılık A.Ş. (“Koloni TV”)	Turkey	TV Publishing	Media
Atılğan Televizyon ve Radyo Yayıncılık A.Ş. (“Atılğan TV”)	Turkey	TV Publishing	Media
Yörünge Televizyon ve Radyo Yayıncılık A.Ş. (“Yörünge TV”)	Turkey	TV Publishing	Media
Tematik Televizyon ve Radyo Yayıncılık A.Ş. (“Tematik TV”)	Turkey	TV Publishing	Media
Süper Kanal Televizyon ve Radyo Yayıncılık A.Ş. (“Süperkanal”) ⁽²⁾	Turkey	TV Publishing	Media
Uydu İletişim Basın Yayın A.Ş. (“Uydu”)	Turkey	TV Publishing	Media
Eko TV Televizyon Yayıncılık A.Ş. (“TNT or Eko 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
Denizati İletişim Hizmetleri A.Ş. (“Denizati”)	Turkey	TV Publishing	Media
Protema Yapım Reklamcılık ve Dağıtım A.Ş. (“Protema Yapım”)	Turkey	TV Publishing	Media

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NOTE 1 - ORGANIZATION AND NATURE OF OPERATIONS (Continued)

Subsidiaries	Country	Nature of business	Segment
Doğan Teleshopping Pazarlama ve Ticaret A.Ş. ("Doğan Teleshopping" or "Her Eve Lazım")	Turkey	TV Publishing	Media
Rapsodi Radyo ve Televizyon Yayıncılık A.Ş. ("RapsodiRadyo")	Turkey	Radio Publishing	Media
Doğan Müzik Yapım ve Ticaret A.Ş. ("DMC")	Turkey	Music and Entertainment	Media
İnteraktif Medya Hizmetleri Geliştirme Pazarlama ve Ticaret A.Ş. ("İnteraktif Medya")	Turkey	Interactive Services	Media
Primeturk GmbH ("Prime Turk")	Germany	Marketing	Media
Osmose Media S.A ("Osmose Media")	Luxembourg	Marketing	Media
Doğan Media International S.A. ("Kanal D Romanya")	Romania	TV Publishing	Media
Doğan Müzik Kitap Mağazacılık ve Pazarlama A.Ş. ("DMK")	Turkey	Retail	Retail
Hür Servis Sosyal Hizmetler ve Ticaret A.Ş. ("Hürservis")	Turkey	Retail	Retail
Doğan Faktoring A.Ş. ("Doğan Faktoring") (3)	Turkey	Factoring	Media
Doğan Platform Yatırımları A.Ş. ("Doğan Platform")	Turkey	Investment	Media
Milpa Ticari ve Sınai Ürünler Pazarlama Sanayi ve Ticaret A.Ş. ("Milpa")	Turkey	Trade	Other
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 Sanayii A.Ş. ("Çelik Halat")	Turkey	Manufacturing	Other
Ditaş Doğan Yedek Parça İmalat ve Teknik A.Ş. ("Ditaş Doğan")	Turkey	Manufacturing	Other
Milta Turizm İşletmeleri A.Ş. ("Milta Turizm")	Turkey	Tourism	Other
Doğan Organik Ürünler Sanayi ve Ticaret A.Ş. ("Doğan Organik")	Turkey	Agriculture	Other
Zigana Elektrik Dağıtım Sanayi ve Ticaret A.Ş. ("Zigana")	Turkey	Energy	Other
Doğan Enerji Yatırımları Sanayi ve Ticaret A.Ş. ("Doğan Enerji")	Turkey	Energy	Other
Nakkaştepe Elektrik Üretim ve Yatırımları Sanayi ve Ticaret A.Ş. ("Nakkaştepe Elektrik")	Turkey	Energy	Other
Galata Wind Enerji A.Ş.	Turkey	Energy	Other
Akdeniz Elektrik Üretim ve Yatırımları Sanayi Ticaret A.Ş. ("Akdeniz Elektrik")	Turkey	Energy	Other
SC D-Yapı Real Estate, Investment and Construction S.A. ("D Yapı Romanya")	Romania	Real Estate	Other
D Stroy Limited ("D Stroy")	Russia	Real Estate	Other
DHI Investment B.V. ("DHI Investment")	Holland	Investment	Other

(1) Related subsidiary has changed its commercial title as of June 30,2012

(2) Related subsidiary has changed its commercial title as of September 25,2012

(3) Related subsidiary has changed its commercial title as of May 11, 2012.

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.

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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. However, IASs/IFRSs will be in effect for the period in which the differences derived from the standards accepted by the European Union and the standards issued by International Accounting Standards Board (“IASB”) would be announced by Turkish Accounting Standards Board (“TASB”). Accordingly, Turkish Accounting/Financial Reporting Standards (“TAS”/“TFRS”) previously issued by TASB, which do not contradict to the standards adopted, shall be applied.

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

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 the relevant local regulatory authority 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.

CONVENIENCE TRANSLATION OF CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

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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 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 (currency translation differences).

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

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

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

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

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

2.1.3 Consolidation principles (Continued)

(a) Subsidiaries

Subsidiaries are companies in which Doğan Holding has power to control the financial and operating policies for the benefit of Doğan Holding either (a) through the power to exercise more than 50% of voting rights relating to shares in the companies as a result of shares owned directly and indirectly by itself or (b) although not having the power to exercise more than 50% of the voting rights, through the exercise of actual dominant influence over the financial and operating policies. Proportion of ownership interest represents the effective shareholding of the Group through the shares held by Doğan Holding and indirectly by its subsidiaries. In the consolidated financial statements, interests owned by Doğan family members are treated as non-controlling interests and excluded from net asset and profit of the Group.

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

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

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

2.1.3 Consolidation principles (Continued)

The table below sets out the proportion of voting power held by Doğan Holding and its subsidiaries and effective ownership interests at 30 September 2012 and 31 December 2011:

Subsidiaries	Proportion of Voting power held by Doğan Holding and its subsidiaries (%)		Proportion of voting power held by Doğan family members (%)		Total proportion of voting power held (%)		Proportion of effective ownership interest (%)	
	30	31	30	31	30	31	30	31
	September 2012	December 2011	September 2012	December 2011	September 2012	December 2011	September 2012	December 2011
Hürriyet	77,65	77,65	-	-	77,65	77,65	61,40	61,40
Doğan Gazetecilik ⁽¹⁾	70,76	70,76	0,52	0,52	71,28	71,28	53,49	53,49
Milliyet Verlags ⁽²⁾	99,88	99,88	0,12	0,12	99,98	100,00	77,21	74,31
DMI	100,00	100,00	-	-	100,00	100,00	69,57	69,57
Hürriyet Medya Basım	100,00	100,00	-	-	100,00	100,00	61,40	61,40
Doğan Ofset	99,93	99,93	-	-	99,93	99,93	61,36	61,36
Mozaik	99,87	99,85	0,11	0,08	99,98	99,93	60,54	60,53
Posta Haber	100,00	100,00	-	-	100,00	100,00	55,19	55,16
Doğan Haber	99,94	99,86	-	-	99,94	99,86	68,02	67,97
Doğan Dağıtım	100,00	100,00	-	-	100,00	100,00	75,55	75,47
Doğan Dış Ticaret	100,00	100,00	-	-	100,00	100,00	75,34	75,34
Işıl İthalat İhracat	96,70	96,70	-	-	96,70	96,70	72,86	72,86
Refeks ⁽³⁾	-	100,00	-	-	-	100,00	-	61,40
E Tüketici ⁽⁴⁾	-	99,80	-	0,10	-	99,90	-	60,79
Doğan Gazetecilik								
Internet	100,00	100,00	-	-	100,00	100,00	53,72	53,72
Yenibir	100,00	100,00	-	-	99,96	100,00	61,40	61,40
TME Teknoloji ⁽⁴⁾	-	100,00	-	-	-	100,00	-	61,40
Hürriyet								
Zweigniederlassung	100,00	100,00	-	-	100,00	100,00	61,40	61,40
Hürriyet Invest	100,00	100,00	-	-	100,00	100,00	61,40	61,40
TME ⁽⁵⁾	67,30	67,30	-	-	67,30	67,30	45,61	43,68
Mirabridge								
International B.V.	100,00	100,00	-	-	100,00	100,00	45,61	43,68
Publishing International								
Holding B.V. ⁽⁶⁾	100,00	-	-	-	100,00	-	45,61	-
Job.ru LLC ⁽⁷⁾	100,00	-	-	-	100,00	-	45,61	-
Pronto Invest B.V.	100,00	100,00	-	-	100,00	100,00	45,61	43,68
TCM Adria d.o.o.	100,00	100,00	-	-	100,00	100,00	45,61	43,68
OOO Rektcentr	100,00	100,00	-	-	100,00	100,00	45,61	43,68
Publishing House								
Pennsylvania Inc.	100,00	100,00	-	-	100,00	100,00	45,61	43,68
Doğan Platform	100,00	100,00	-	-	100,00	100,00	75,59	74,53
Doğan Yayın Holding	75,59	74,53	2,40	2,48	77,99	77,01	75,59	74,53
Fairworld	100,00	100,00	-	-	100,00	100,00	75,34	74,29
Falcon	100,00	100,00	-	-	100,00	100,00	75,34	74,29
Marchant ⁽⁹⁾	-	100,00	-	-	-	100,00	-	71,84
Oglasnik d.o.o. ⁽⁸⁾	100,00	100,00	-	-	100,00	100,00	45,61	43,68

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

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

2.1.3 Consolidation principles (Continued)

Subsidiaries	Proportion of Voting power held by Doğan Holding and its subsidiaries (%)		Proportion of voting power held by Doğan family members (%)		Total proportion of voting power held (%)		Proportion of effective ownership interest (%)	
	30	31	30	31	30	31	30	31
	September 2012	December 2011	September 2012	December 2011	September 2012	December 2011	September 2012	December 2011
Expressz Magyarország								
Media Kft	100,00	100,00	-	-	100,00	100,00	45,61	43,68
OOO SP Belpronto	60,00	60,00	-	-	60,00	60,00	27,37	26,21
OOO Pronto Rostov	100,00	100,00	-	-	100,00	100,00	45,61	43,68
OOO Pronto Aktobe	80,00	80,00	-	-	80,00	80,00	29,19	27,96
OOO Novoprint ⁽¹⁶⁾	100,00	100,00	-	-	100,00	100,00	45,61	43,68
OOO Delta-M	55,00	55,00	-	-	55,00	55,00	25,08	24,03
OOO Pronto Baikal	100,00	100,00	-	-	100,00	100,00	45,61	43,68
OOO Pronto DV	100,00	100,00	-	-	100,00	100,00	45,61	43,68
OOO Pronto Ivanovo	100,00	100,00	-	-	100,00	100,00	45,61	43,68
OOO Pronto Kaliningrad	95,00	95,00	-	-	95,00	95,00	43,33	41,50
OOO Pronto Kazan	72,00	72,00	-	-	72,00	72,00	32,84	31,45
OOO Pronto Krasnodar	80,00	80,00	-	-	80,00	80,00	36,48	34,94
OOO Pronto								
Krasnoyarsk ⁽¹⁰⁾	100,00	100,00	-	-	100,00	100,00	45,61	43,68
OOO Pronto Nizhny								
Novgorod	90,00	90,00	-	-	90,00	90,00	41,05	39,32
OOO Pronto Novosibirsk	100,00	100,00	-	-	100,00	100,00	45,61	43,68
OOO Pronto Oka ⁽¹¹⁾	100,00	100,00	-	-	100,00	100,00	45,61	43,68
OOO Pronto Samara	100,00	100,00	-	-	100,00	100,00	45,61	43,68
OOO Pronto Stavropol ⁽¹²⁾	100,00	100,00	-	-	100,00	100,00	45,61	43,68
OOO Pronto UlanUde	90,00	90,00	-	-	90,00	90,00	41,05	39,32
OOO Pronto Vladivostok	90,00	90,00	-	-	90,00	90,00	41,05	39,32
OOO Pronto Volgograd ⁽¹³⁾	-	100,00	-	-	-	100,00	-	43,68
OOO Pronto Moscow	100,00	100,00	-	-	100,00	100,00	45,61	43,68
OOO Pronto Neva	100,00	100,00	-	-	100,00	100,00	45,61	43,68
OOO Tambukan	85,00	85,00	-	-	85,00	85,00	38,77	37,13
OOO Utro Peterburga ⁽¹¹⁾	55,00	55,00	-	-	55,00	55,00	25,08	24,03
OOO Pronto Astrakhan ⁽¹⁰⁾	100,00	100,00	-	-	100,00	100,00	45,61	43,68
OOO Pronto Kemerovo	100,00	100,00	-	-	100,00	100,00	45,61	43,68
OOO Pronto Smolensk	100,00	100,00	-	-	100,00	100,00	45,61	43,68
OOO Pronto Tula	100,00	100,00	-	-	100,00	100,00	45,61	43,68
OOO Pronto Voronezh	100,00	100,00	-	-	100,00	100,00	45,61	43,68
OOO Tambov-Info	100,00	100,00	-	-	100,00	100,00	45,61	43,68
OOO Pronto Obninsk	100,00	100,00	-	-	100,00	100,00	45,61	43,68
OOO Pronto Pskov ⁽¹⁴⁾	100,00	-	-	-	100,00	-	41,05	-
TOO Pronto Akmola	100,00	100,00	-	-	100,00	100,00	45,61	43,68
OOO Pronto Atyrau	100,00	100,00	-	-	100,00	100,00	36,48	34,94
OOO Pronto Aktau	100,00	100,00	-	-	100,00	100,00	36,48	34,94
ZAO Pronto Akzhol	80,00	80,00	-	-	80,00	80,00	36,48	34,94
SP Pronto Kiev	50,00	50,00	-	-	50,00	50,00	22,80	21,84
Internet Posao d.o.o. ⁽¹⁵⁾	-	100,00	-	-	-	100,00	-	30,58
Moje Delo spletni								
Marketing d.o.o. ⁽⁸⁾	100,00	100,00	-	-	100,00	100,00	45,61	43,68
Bolji Posao d.o.o. Serbia	100,00	100,00	-	-	100,00	100,00	25,08	24,03
Bolji Posao d.o.o. Bosnia	100,00	100,00	-	-	100,00	100,00	25,08	24,03
OOO RUKOM ⁽¹⁶⁾	100,00	100,00	-	-	100,00	100,00	45,61	43,68
Sklad Dela Prekmurje NGO	100,00	100,00	-	-	100,00	100,00	25,08	24,03

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

2.1.3 Consolidation principles (Continued)

Subsidiaries	Proportion of Voting power held by Doğan Holding and its subsidiaries (%)		Proportion of voting power held by Doğan family members (%)		Total proportion of voting power held (%)		Proportion of effective ownership interest (%)	
	30	31	30	31	30	31	30	31
	September 2012	December 2011	September 2012	December 2011	September 2012	December 2011	September 2012	December 2011
OOO Partner-Soft	90,00	100,00	-	-	90,00	100,00	41,05	39,32
Pronto Soft	90,00	90,00	-	-	90,00	90,00	41,05	39,32
TOV E-Prostir	50,00	50,00	-	-	50,00	50,00	22,80	21,84
Prime Turk	100,00	100,00	-	-	100,00	100,00	60,54	60,44
Osmose Media	100,00	100,00	-	-	100,00	100,00	60,44	60,44
OOO Rosprint ⁽¹⁷⁾	-	100,00	-	-	-	100,00	-	43,68
OOO Rosprint Samara	100,00	100,00	-	-	100,00	100,00	45,61	43,68
Impress Media								
Marketing LLC ⁽⁸⁾	100,00	100,00	-	-	100,00	100,00	45,61	43,68
Pronto Ust Kamenogorsk	100,00	90,00	-	-	100,00	90,00	36,48	34,94
Doğan TV Holding ⁽¹⁸⁾	79,96	79,96	0,14	0,14	80,10	80,10	60,44	60,44
Kanal D	94,85	94,85	5,14	5,14	99,99	99,99	57,33	57,33
Kanal D Yapımcılık ⁽¹⁹⁾	100,00	-	-	-	99,99	-	57,33	-
Alp Görsel	100,00	100,00	-	-	100,00	100,00	60,44	60,44
Fun TV	96,41	94,96	2,14	2,14	98,55	97,10	58,37	57,40
Tempo TV	96,28	94,71	2,13	2,13	98,41	96,84	58,29	57,33
Kanalspor	99,78	99,59	0,22	0,29	100,00	99,88	60,41	60,28
Milenyum TV	99,92	99,90	0,06	0,06	99,98	99,96	60,49	60,38
TV 2000	98,72	98,44	0,90	1,09	99,62	99,53	59,77	59,59
Moda Radyo ⁽²⁰⁾	-	99,82	-	0,09	-	99,91	-	60,34
Popüler TV	96,00	94,66	2,67	2,67	98,67	97,33	58,12	57,30
D Yapım Reklamcılık	100,00	100,00	-	-	100,00	100,00	60,44	60,44
Bravo TV	98,87	98,73	1,00	1,00	99,87	99,73	59,86	59,77
Doğa TV	98,12	97,50	1,25	1,25	99,37	98,75	59,41	59,02
Altın Kanal	99,41	99,14	0,39	0,43	99,80	99,57	60,18	60,01
Stil TV	99,21	98,91	0,79	0,79	100,00	99,70	60,06	59,87
Selenit TV	99,87	99,81	0,06	0,06	99,94	99,87	60,46	60,42
Elit TV ⁽²¹⁾	-	99,05	-	0,32	-	99,37	-	59,96
D Çocuk	99,24	99,95	0,76	0,76	100,00	99,71	60,08	59,89
Ekinoks TV	99,83	99,77	0,17	0,17	100,00	99,94	60,44	60,39
Dönence TV ⁽²¹⁾	-	96,17	-	2,77	-	98,94	-	58,21
Fleks TV	98,42	97,81	1,58	1,58	100,00	99,39	59,59	59,21
Planet TV ⁽²¹⁾	-	99,36	-	0,46	-	99,82	-	60,15
HD TV ⁽²¹⁾	-	99,67	-	0,24	-	99,91	-	60,33
Doğan Prodüksiyon	100,00	100,00	-	-	100,00	100,00	60,44	60,44
Doğan TV Dijital	100,00	99,99	0,01	0,01	100,00	100,00	63,08	60,53
Kutup TV	99,73	99,79	0,27	0,27	100,00	99,90	60,38	60,31
Galaksi TV	98,87	99,20	1,00	1,00	99,87	99,20	59,86	59,44
Koloni TV	90,00	90,00	3,33	3,34	93,33	93,34	54,40	54,40
Atılğan TV	90,00	90,00	3,33	3,33	93,33	93,33	54,40	54,40
Atmosfer TV ⁽²¹⁾	-	86,67	-	3,33	-	90,00	-	52,46
Gümüş TV ⁽²¹⁾	-	92,86	-	1,79	-	94,65	-	56,21
Platin TV ⁽²¹⁾	-	91,30	-	2,17	-	93,47	-	55,27
Yörünge TV	99,19	98,39	0,40	0,40	99,60	98,79	60,05	59,56
Doruk Televizyon	99,90	99,86	0,06	0,08	99,96	99,94	60,38	60,36

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

2.1.3 Consolidation principles (Continued)

Subsidiaries	Proportion of Voting power held by Doğan Holding and its subsidiaries (%)		Proportion of voting power held by Doğan family members (%)		Total proportion of voting power held (%)		Proportion of effective ownership interest (%)	
	30	31	30	31	30	31	30	31
	September 2012	December 2011	September 2012	December 2011	September 2012	December 2011	September 2012	December 2011
Safir Televizyon(21)	-	86,66	-	6,67	-	93,33	-	52,46
Tematik TV	86,67	90,00	6,67	3,33	93,33	93,33	52,39	52,39
Süper Kanal	99,65	99,65	0,12	0,12	99,77	99,77	60,23	60,32
Uydu	64,67	58,67	32,00	32,00	96,67	90,67	39,14	35,51
Mobil ⁽²²⁾	-	99,99	-	-	-	99,99	-	60,44
Matis TV ⁽²³⁾	-	100,00	-	-	-	100,00	-	60,53
Yonca TV ⁽²¹⁾	-	100,00	-	-	-	100,00	-	60,44
İnci TV ⁽²⁴⁾	-	86,67	-	3,33	-	90,00	-	52,46
Kuvars TV ⁽²¹⁾	-	86,67	-	3,33	-	90,00	-	52,46
Lal TV ⁽²¹⁾	-	86,67	-	3,33	-	90,00	-	52,46
Truva TV ⁽²⁴⁾	-	86,67	-	3,33	-	90,00	-	52,46
Kayra TV ⁽²⁵⁾	-	86,67	-	3,33	-	90,00	-	52,46
Milas TV ⁽²⁴⁾	-	86,67	-	3,33	-	90,00	-	52,46
Eko TV ⁽²⁶⁾	95,01	-	0,02	-	95,03	-	57,43	-
Kanal D Romanya	83,17	83,17	-	-	83,17	83,17	57,87	57,87
Anemon ⁽²⁷⁾	-	100,00	-	-	-	100,00	-	60,44
Yosun ⁽²⁷⁾	-	100,00	-	-	-	100,00	-	60,44
Denizati	100,00	100,00	-	-	100,00	100,00	60,44	60,44
Protema Yapım	99,99	99,99	-	-	99,99	99,99	60,44	60,44
Doğan Teleshopping	99,99	99,99	-	-	99,99	99,99	60,44	60,44
ZAO NPK	100,00	100,00	-	-	100,00	100,00	45,61	43,18
Rapsodi Radyo	96,65	97,58	1,49	1,49	98,14	99,07	58,42	58,98
DMC	99,96	99,96	0,01	0,01	99,97	99,97	65,26	65,26
İnteraktif Medya	99,99	100,00	0,01	-	100,00	100,00	60,44	60,44
DMK ⁽²⁸⁾	100,00	100,00	-	-	100,00	100,00	100,00	75,59
Hürservis ⁽²⁸⁾	100,00	100,00	-	-	100,00	100,00	95,60	73,97
Doğan İletişim ⁽²⁹⁾	-	100,00	-	-	-	100,00	-	75,59
Doğan Faktoring	100,00	100,00	-	-	100,00	100,00	75,11	75,11
Aras Prodüksiyon ⁽³⁰⁾	-	99,99	-	-	-	99,99	-	60,44
Nartek	60,00	60,00	-	-	60,00	60,00	36,84	36,84
Milpa	86,27	86,27	0,22	0,22	86,49	86,49	86,27	86,27
Doğan Oto	99,80	99,76	0,20	0,24	100,00	100,00	99,80	99,76
Enteralle Handels	100,00	100,00	-	-	100,00	100,00	86,27	86,27
Orta Anadolu Otomotiv	85,00	85,00	-	-	85,00	85,00	84,83	84,80
Doğan Havacılık	100,00	100,00	-	-	100,00	100,00	91,62	91,62
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	85,01	85,01	-	-	85,01	85,01	85,01	85,01
Doğan Enerji	100,00	100,00	-	-	100,00	100,00	100,00	100,00
Nakkaştepe Elektrik ⁽³¹⁾	100,00	-	-	-	100,00	-	100,00	-
Galatawind ⁽³²⁾	100,00	-	-	-	100,00	-	100,00	-
Akdeniz Elektrik ⁽³²⁾	99,98	-	-	-	99,98	-	99,97	-
D-Yapı Romanya	100,00	100,00	-	-	100,00	100,00	100,00	100,00
D Stroy	100,00	100,00	-	-	100,00	100,00	100,00	100,00
SC Doğan Hospitals ⁽³³⁾	-	100,00	-	-	-	100,00	-	100,00
DHI Investment	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)

- (1) According to the statutory records of Group, proportion of effective ownership interest of Doğan Gazetecilik is 53,49%. Nevertheless, in consequence 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 70,12% by considering the additional share proportion in accordance with IAS 32 "Financial Instruments: Presentation".
- (2) The related subsidiary is in the liquidation process as of 27 December 2010.
- (3) The liquidation process of the related subsidiary is completed as of 20 June 2012
- (4) The related subsidiary is merged with Yenibiriş İnsan Kaynakları Hizmetleri Danışmanlık ve Yayıncılık A.Ş. as of 19 June 2012.
- (5) Group has purchased and taken over 6,98% of shares corresponding to a number of 3.490.691 (exact) share of TME as of 7 March 2012.
- (6) The related subsidiary was established on June 28, 2012.
- (7) The related subsidiary was established on September 29, 2012.
- (8) Related rates include call options regarding non-controlling shares explained in Note:15
- (9) The related subsidiary is in the liquidation process as of April 16,2012..
- (10) The related subsidiary is in the liquidation process as of 2011
- (11) The related subsidiary has ceased its operations before the year 2010.
- (12) The merging process of the related subsidiary with OOO Pronto Rostov has started during the year,2011
- (13) The liquidation process of the related subsidiary has been completed as of 18 May 2012.
- (14) The related subsidiary was established as of 18 June 2012.
- (15) The related subsidiary was merged with Oglasnik D.O.O as of 15 May 2012.
- (16) The related subsidiary is in the liquidation process as of 2012.
- (17) The sale of the related subsidiary has been completed as of 5 April 2012.
- (18) According to the statutory records of the Group,proportion of effective ownership interest of Doğan TV Holding is 60,44%.Nevertheless in consequence of the Option explained in detail in Note 15,the operational results of Doğan TV Holding,and its subsidiaries are included into the consolidation by the Group with the rate of 68.35% by considering the additional share proportion in accordance with IAS 32"Financial Instruments,Disclosure and Presentation".
- (19) The related subsidiary was established on 5June 2012.
- (20) The sale and transfer of shares of the related subsidiary have been completed on 12 January 2012.
- (21) The related subsidiary was merged with Mozaik İletişim Hizmetleri A.Ş.as of 31 May 2012.
- (22) The liquidation process of the related subsidiary is completed as of 18 June 2012.
- (23) The liquidation process of the related subsidiary is completed as of 25 June 2012.
- (24) The liquidation process of the related subsidiary is completed as of 22 June 2012.
- (25) The liquidation process of the related subsidiary is completed as of 20 June 2012.
- (26) As of 6 September 2012, Group Management has completed the share purchase transaction for the 19,98% shares of Eko TV which was accounted as joint venture at 31 December 2011. In the current period, the Company has been included as subsidiary in the scope of consolidation.
- (27) The related subsidiary was merged with Denizatı İletişim Hizmetleri A.Ş.as of 7 August 2012.
- (28) The sale and transfer of shares of Doğan Müzik Kitap Mağazacılık ve Pazarlama A.Ş.("DMK")and its subsidiary to the parent company Doğan Holding,have been completed as of 16 January 2012.
- (29) The related subsidiary was merged with Doğan TV Dijital Platform İşletmeciliği A.Ş. as of 30 April 2012.
- (30) The related subsidiary was merged with Doruk Televizyon ve Radyo Yayıncılık A.Ş. as of 26April 2012.
- (31) The related subsidiary was established on 15 June 2012.
- (32) The process of acquisition of the shares representing the entire share capital of Akdeniz Elektrik Üretim A.Ş. and Galata Wind Enerji Limited Şirketi by a subsidiary of the Group was completed on June 28,2012
- (33) The liquidation process of the related subsidiary is completed as of 29 June 2012.

b) Interests in Joint Ventures

Joint ventures are companies in respect of which there are contractual arrangements through which an economic activity is undertaken subject to joint control by Doğan Holding and one or more other parties. Joint ventures, except for those that are classified as held for sale under IFRS 5 are included in consolidation using the proportionate consolidation method (i.e. through the inclusion of the Group's share of the assets, liabilities, income and expenses).Unrealized gains and losses arising from the transactions with the Group and its joint ventures are eliminated proportionally as the Group's interest in the joint venture. The joint-ventures, the proportion of voting power held by Doğan Holding and its subsidiaries and effective ownership interests at 30 September 2012 and 31 December 2011 are disclosed in Note 4.

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

2.1.3 Consolidation principles (Continued)

(c) *Interests in Associates*

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

Where the investment's share of losses exceeds the Group's share (including any long-term investments that, in substance, form part of the Group's net investment in the associate), the exceeding portion of losses are not recognized. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate. Unrealized gains on transactions between the Group and its associates are restated in proportion to the Group's share in the associate and unrealized losses are also restated when there is no indication of impairment of the transferred asset. Equity method is not applied when the carrying amount of the investment in a joint venture reaches zero to the extent that the Group assumes no liabilities or obligations or in respect of the joint venture or the Group has no significant influence over the related joint venture. The carrying amount of the investment when the Group loses its significant influence over the investment is then carried at cost.

(d) *Non-controlling interests*

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

e) *Financial investments*

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

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

2.1.4 Comparative information and restatement of prior period financial statements

The consolidated financial statements of the Group are prepared comparatively with the previous period to identify the financial position and performance trends. In order to maintain consistency, with current year consolidated financial statements, comparative information is reclassified and significant changes are disclosed if necessary. In the current year, the Group has reclassified its prior period financial statements in order to comply with the presentation of its current period consolidated financial statements. The nature, amount and reason for the reclassifications are described below:

- Out of TRY 10.135 of cost of sales amount, TRY 5.834 is reclassified to "marketing, sales and distribution expenses" and the remaining TRY 4.301 is reclassified to "general and administrative expenses".
- Marketing, sales and distribution expenses amounting to TRY 6.416 is offset against the sales revenue.
- Net loss from discontinued operations decrease by TRY 3.113 as a result of the offsetting of provisions subsequent to the date of sale till the end of the balance sheet date in comparison to the amount previously reported.
- Tax assets recognized in "other current assets" amounting to TRY 3.597 is shown by offsetting against deferred tax liabilities.
- "Income from scrap sales" which was presented under "Other Income" amounting to TRY 1.533 is reclassified to "Revenue".
- "Social Security Insurance Premium Discount" which was presented under "Other Income" amounting to TRY 526 is presented by offsetting against administrative expenses and sales and marketing expenses, cost of sales .
- "Deposits which was presented under "Other Current Assets at 31 December 2011 report" amounting to TRY 199 is reclassified to "Cash and Cash Equivalents".
- "Pos Service Fees" presented under "Finance Expenses" amounting to TRY 3.039 is reclassified to "marketing, sales and distribution expenses..

2.1.5 Offsetting

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

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

2.1.6 Critical judgments in applying the entity's accounting policies

Changes in accounting policies arising from the first time adoption of a new IAS/IFRS are applied retrospectively or prospectively in accordance with the respective IASs/IFRSs transition requirements, if any. Where there are no transition requirements for any changes or optional significant changes in accounting policies and identified accounting errors, those are applied retrospectively and prior period financial statements are restated accordingly. Accounting policies used in the current period are applied in the preparation of the consolidated financial statements for the year ended 31 December 2011.

The preparation of consolidated financial statements require the use of estimations and assumptions that may have an effect over the assets and liabilities reported at the balance sheet date, contingent assets and liabilities disclosures and income and expenses reported during the accounting period. The estimates and assumptions are based on the best available information on the current circumstances and operations; however, they may differ from the actual results. If changes in accounting estimates only relate to one period, the change is reflected in the current period in which the change is made, if they relate to future periods, the change is both reflected in the current period in which the change is made and prospectively for future periods. Significant accounting policies used in the current period are consistent with those that are used in the preparation of the consolidated financial statements for the year ended 31 December 2011.

2.2 Summary of significant accounting policies

Accounting policies for Subsidiaries and Joint Ventures have been changed to ensure consistency with the policies adopted by the Group, where necessary. Significant accounting policies of the Group applied for the condensed consolidated financial statements for the interim period ended as of 30 September 2012 are same with the policies declared in consolidated financial statements as of 31 December 2011, these policies are applied consistently. The condensed consolidated interim financial statements prepared for the interim period 1 January – 30 September 2012 should be read in conjunction with the annual consolidated financial statements for the year 2011.

2.3 New and Revised International Financial Reporting Standards

In the current period, there is not any standard or interpretation that affects the financial performance, balance sheet, presentation or disclosure of the Group. However, the details of standards and interpretations effective in the current period but have no effect on the financial statements and standards and interpretations not yet effective and have not been early adopted by the Group are set out below.

a) Standards effective from 1 January 2012 but have no effect on the financial statements of the Group

IFRS 7 (Amendments)

Disclosures – Transfers of Financial Assets

IAS 12 (Amendments)

Deferred Tax – Recovery of Existing Assets

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

2.3 Standards effective from 1 January 2012 but have no effect on the financial statements of the Group (Continued)

b) New and Revised Standards and Interpretations not yet effective and have not been early adopted by the Group

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

IFRS 7 (Amendments)	<i>Presentation –Clarification of Financial Assets and Liabilities</i>
IFRS 9	<i>Financial Instruments</i>
IFRS 10	<i>Consolidated Financial Statements</i>
IFRS 11	<i>Joint Arrangements</i>
IFRS 12	<i>Disclosure of Interests in Other Entities</i>
IFRS 13	<i>Fair Value Measurement</i>
IAS 1 (Amendments)	<i>Presentation of Items of Other Comprehensive Income</i>
IAS 19 (2011)	<i>Employee Benefits</i>
IAS 27 (2011)	<i>Separate Financial Statement</i>
IAS 28 (2011)	<i>Investments in Associates and Joint Ventures</i>
IFRIC 20	<i>Stripping Costs in the Production Phase of a Surface Mine</i>
IAS 32 (Amendments)	<i>Financial Instruments: Presentation - Offsetting of Financial Assets and Financial Liabilities</i>

The above standards will be applicable for the accounting periods 2013 and following years the Group has not had an opportunity to consider the potential impact of the application of these standards over its financial statements. The Group would be expected to be mostly affected by the requirements of "IFRS 11 Joint Arrangements". "IFRS 11 Joint Arrangements" requires joint ventures to be accounted for by using the equity method instead of proportional consolidation method. This standard has not yet been adopted by the European Union.

NOTE 3 - BUSINESS COMBINATIONS

Akdeniz Elektrik Üretim A.Ş.- Galata Wind Enerji Anonim Şirketi A.Ş.

As at 29 May 2012, Doğan Enerji, one of the subsidiaries of the Group has entered into share transfer agreement with Akdeniz İnşaat ve Eğitim Hizmetleri A.Ş., Ali İbrahimağaoğlu, Hüseyin Avni İbrahimağaoğlu, Alican İbrahimağaoğlu and Hakkı İbrahimağaoğlu (all together referred to as "Vendors") in relation to the share acquisition and transfer of Akdeniz Elektrik Üretim A.Ş. ("Akdeniz Elektrik") having Mersin Wind Power Plant (Mut/Mersin) with 33 MWe installed capacity (having an additional capacity of 9 MWm) and Galata Wind Enerji Anonim Şirketi ("Galata Wind") having Şah Wind Power Plant (Bandırma/Balıkesir) with 93 MWe installed capacity (having an additional capacity of 12 MWm).

Share acquisition price is negotiated between the parties and determined as EUR 240.000.000 for the related companies (For Akdeniz Elektrik Üretim A.Ş., the price is determined as EUR 68.571.429 (exact) and for Galata Wind Enerji Limited Şirketi, the price is determined as EUR 171.428.571 (exact)). Share acquisition is settled in advance and in cash at the closing date, less any payables to banks to be adjusted as of the closing date (amounting to EUR 72.106.798(exact)) and miscellaneous payments (amounting to EUR 13.513.500 (exact), such as; "turbine cost"). As of the agreement sign date, EUR 50.000.000 (exact) of advance is paid to "Vendors" in consideration of the share acquisition and transfer. In addition, transferred companies' due to shareholders to be adjusted as of the closing date which are subject to deduction over the Company value (EUR 16.474.523,98 (exact)) and additional

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capacity increase construction costs (EUR 474.576,27 (exact)) are also paid to the vendors. Accordingly, total consideration paid to vendors as of the share transfer ("closing") date (27 June 2012) amounts to EUR 137.430.601(exact).

NOTE 3 - BUSINESS COMBINATIONS (Continued)

Share transfer process is completed on 27 June 2012 subsequent to obtaining the required approvals and licenses and TRY 310.456 (EUR 137.430.601 (exact)) is paid to the vendors as of 28 June 2012. Purchased assests and liabilities of Akdeniz and Galata as of 27 June 2012 as follows:

	Akdeniz	Galata	Total
Current Assets	4.312	8.774	13.086
Cash and cash equivalents	1.105	2.268	3.373
Trade and other receivables	2.985	5.568	8.553
Other non current assets	222	938	1.160
Non current assets	75.937	184.112	260.049
Trade and other receivables	1.683	6.166	7.849
Property, plant and equipment (Note 12)	72.102	172.303	244.405
Intangible assets (Note 12)	16	22	38
Other non current assets	1.586	2.015	3.601
Deferred tax assets	550	3.606	4.156
Short term liabilities	(44.310)	(32.396)	(76.706)
Financial payables	(7.777)	(20.592)	(28.369)
Trade payables	(1.430)	(2.914)	(4.344)
Payables to shareholders	(33.080)	(4.211)	(37.291)
Other short term liabilities	(2.023)	(4.679)	(6.702)
Contingent liabilities	-	-	-
Long term liabilities	(32.804)	(103.806)	(136.610)
Long term financial payables	(32.754)	(103.767)	(136.521)
Other long term liabilities	(50)	(39)	(89)
Net assets	3.135	56.684	59.819

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NOTE 3 - BUSINESS COMBINATIONS (Continued)

Fair value of identifiable assets and liabilities of Akdeniz Elektrik and Galata Wind are provisionally recognized based on the carrying value of the related assets since the Company is still assessing the fair value measurement of identifiable assets and liabilities and the allocation of cost to tangible and intangible assets under IFRS 3 as of the report date.

Based on temporary recognition the difference between the net carrying value and cost amounts to TRY 250.637 and it is recognized as positive goodwill in the financial statements. The Group's purchasing policy will be completed within a year as of the acquisition date.

Goodwill arised due to the acquisition:

	Akdeniz Elektrik	Galata Wind	Total
Amount transferred	68.542	241.914	310.456
Temporarily calculated net book value of net assets of the entities purchased (-)	(3.135)	(56.684)	(59.819)
Goodwill(temporarily calculated)	65.407	185.230	250.637

Net amount paid at purchase of subsidiaries:

	Akdeniz Elektrik	Galata Wind	Total
Cash paid(1)	68.542	241.914	310.456
Cash and cash equivalents of the entities purchased(-)	(1.105)	(2.268)	(3.373)
Net cash outflow	67.437	239.646	307.083

Effect of acquisition over the Group's financial results

The Group has recognized totally TRY 5.942 of profit (comprising of TRY 1.285 of profit in relation to Akdeniz Elektrik and TRY 4.567 of profit in relation to Galata Wind) in its consolidated financial statements due to the acquisition of Akdeniz Elektrik and Galata Wind. As of 30 September 2012, Akdeniz Elektrik and Galata Wind's interest in the Group's consolidated sale income amounts to TRY 6.047 and TRY 14.545, respectively. These amounts represent the operating results for the period between the closing date (27 June 2012) and 30 September 2012, which is the issuance of the financial statements.

If the above acquisition were completed as at 1 January 2012, the Group's sales income from ongoing operations would be more TRY 28.504 and net profit for the period from ongoing operations would be more TRY 11.356.

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NOTE 3 - BUSINESS COMBINATIONS (Continued)

Doğan TV Holding – Eko TV

The Group has completed the purchase of 19,98% Eko TV shares from its previous joint venture partner in 6 September 2012 for a consideration of 4.331 TL. Since the Group had equity interest in EKO TV before the acquisition date, this acquisition has been accounted as a step acquisition in accordance with IFRS 3. IFRS 3 requires acquirers to remeasure its previously held equity interest at fair value and recognize the resulting gain or loss, if any, in profit or loss. The Group has not completed the remeasurement procedures so temporary amounts are considered in the accompanying financial statements as of 30 September 2012 as permitted by IFRS 3. The Group expects to complete the remeasurement procedures by 31 December 2012. 627 TL difference calculated based on temporary amounts is associated with income statement temporarily.

	30 June 2012
Cash and cash equivalents	147
Current assets	21.587
Non-current assets	487
Current liabilities	(3.683)
Fair value of net assets	18.538
% of net assets acquired	%19,98
Fair value of net assets acquired	3.704
Total consideration paid	4.331
Difference temporarily associated with income statement	627
Total cash consideration	4.331
Less: cash and cash equivalents in subsidiary acquired	(29)
Cash outflow on acquisition, net	4.302

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NOTE 4 - JOINT VENTURES

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

Joint Venture	Country	Nature of business	Segment	Entrepreneurial Partner
ASPM Holding B.V.	The Netherlands	Internet publishing	Media	Autoscout24 GmBh
OOO Autoscout24	Russia	Internet publishing	Media	Autoscout24 GmBh
Doğan Burda Dergi Yayıncılık ve Pazarlama A.Ş. ("Doğan Burda")	Turkey	Magazine publishing	Media	Burda GmBH
DB Popüler Dergiler Yayıncılık A.Ş. ("DB Popüler")	Turkey	Magazine printing	Media	Burda GmBH
Doğan ve Egmont Yayıncılık ve Yayıncılık Ticaret A.Ş. ("Doğan Egmont")	Turkey	Magazine publishing	Media	Egmont
Dergi Pazarlama Planlama ve Ticaret A.Ş. ("DPP")	Turkey	Planning	Media	Burda GmBH
Ultra Kablolu Televizyon ve Telekomünikasyon Sanayi ve Ticaret A.Ş. ("Ultra Kablolu")	Turkey	Telecommunication	Media	Koç Holding A.Ş.
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. ("Tipeez")	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 A.Ş. ("Aslancık Elektrik")	Turkey	Energy	Other	Doğuş Holding A.Ş. 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 A.Ş. ("Boyabat Elektrik")	Turkey	Energy	Other	Unit Investment N.V. Doğuş Holding A.Ş.
Tasfiye halinde İsedaş İstanbul Elektrik Dağıtım Sanayi ve Ticaret A.Ş. ("İsedaş")	Turkey	Energy	Other	Tekser İnşaat Sanayi ve Ticaret A.Ş. and Çukurova Holding A.Ş.
Gas Plus Erbil Ltd. ("Gas Plus Erbil")	Jersey	Energy	Other	Newage Alzarooni Limited
Nakkaştepe Gayrimenkul Yatırımları İnşaat Yönetim ve Ticaret A.Ş. ("Nakkaştepe Gayrimenkul")	Turkey	Real Estate	Other	Rönesans Gayrimenkul Yatırım A.Ş.

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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 30 September 2012 and 31 December 2011:

Subsidiaries	Voting power held by Doğan Holding and its subsidiaries (%)		Proportion of voting power held by Doğan family members (%)		Proportion of Total proportion of voting power held (%)		Proportion of effective ownership interest (%)	
	30	31	30	31	30	31	30	31
	September 2012	December 2011	September 2012	December 2011	September 2012	December 2011	September 2012	December 2011
ASPM Holding B.V.	37,88	51,00	-	-	36,28	51,00	22,28	22,02
OOO Autoscout24	37,88	51,00	-	-	36,28	51,00	22,28	22,02
DB	44,89	44,89	0,49	0,49	45,38	45,38	33,93	33,93
DB Popüler	44,87	44,87	0,01	0,01	44,88	44,88	33,92	33,92
Doğan Egmont	50,00	50,00	-	-	50,00	50,00	37,80	37,80
DPP	46,00	46,00	10,00	10,00	56,00	56,00	34,76	34,72
Ultra Kablolu ⁽¹⁾	50,00	50,00	-	-	50,00	50,00	37,80	37,80
Birey İK	50,00	50,00	50,00	50,00	100,00	100,00	26,74	26,74
Katalog ⁽²⁾	50,00	50,00	-	-	50,00	50,00	37,80	37,80
Tipeez	29,99	30,00	-	-	29,99	30,00	18,41	18,42
DD Konut Finansman	47,00	47,00	4,00	4,00	51,00	51,00	47,00	47,00
Aslancık Elektrik	33,33	33,33	-	-	33,33	33,33	33,33	33,33
D Tes	25,00	25,00	-	-	25,00	25,00	25,00	25,00
Boyabat Elektrik	33,00	33,00	-	-	33,00	33,00	33,00	33,00
İsedaş ⁽³⁾	45,00	45,00	-	-	45,00	45,00	45,00	45,00
Gas Plus Erbil	50,00	50,00	-	-	50,00	50,00	50,00	50,00
Nakkaştepe Gayrimenkul ⁽⁴⁾	50,00	-	-	-	50,00	-	49,34	-
Eko TV ⁽⁵⁾	-	75,02	-	0,02	-	75,04	-	45,35

(1) The operations of this joint venture have been terminated as of November, 2006.

(2) The operations of this joint venture have been terminated as of September, 2009.

(3) This joint venture is in the liquidation process as of 19 August 2011.

(4) The related joint venture was established as of 5 April 2012.

(5) As of 6 September 2012, Group Management has completed the share purchase transaction for the 19,98% shares of Eko TV which was accounted as joint venture at 31 December 2011. In the current period, the Company has been included as subsidiary in the scope of consolidation.

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NOTE 4 - JOINT VENTURES (Continued)

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

	30 September 2012	31 December 2011
Current Assets	77.359	64.401
Non-current assets	1.087.756	855.086
Total assets	1.165.115	919.487
Current liabilities	274.666	127.373
Non-current liabilities	535.232	538.275
Equity	355.217	253.839
Total liabilities and equity	1.165.115	919.487

	2012		2011	
Statements of Income:	1 January- 30 September	1 July- 30 September	1 January- 30 September	1 July- 30 September
Gross profit	31.650	10.606	29.926	10.680
Marketing,Sales and Distrubution expenses and General Administrative Expenses (-)	(32.896)	(9.626)	(29.745)	(9.812)
Other operating income /(expenses), net	(789)	50	(2.711)	(10)
Operating profit / (loss)	(2.035)	1.030	(2.530)	858
Financial income	45.827	19.033	8.728	2.881
Financial expenses (-)	(5.906)	(1.103)	(55.970)	(49.880)
Profit / (Loss) before income taxes	37.886	18.960	(49.772)	(46.141)
Current income tax charge	(1.385)	(173)	(1.005)	(86)
Deferred tax income /(expenses)	(6.684)	(3.214)	4.728	6.647
Net profit / (loss) for the period (-)	29.817	15.573	(46.049)	(39.580)

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NOTE 5 – SEGMENT REPORTING

a) External Revenues

	1 January- 30 September 2012	1 July- 30 September 2012	1 January- 30 September 2011	1 July- 30 September 2011
Media	1.831.233	555.905	1.686.632	535.752
Retail	242.929	87.169	187.250	65.471
Other	222.901	89.423	199.351	72.647
	2.297.063	732.497	2.073.233	673.870

b) Profit /(loss) before income taxes

	1 January- 30 September 2012	1 July- 30 September 2012	1 January- 30 September 2011	1 July- 30 September 2011
Media	284.058	27.529	(1.131.558)	(215.222)
Retail	(6.353)	(7.703)	2.690	129
Other	(15.856)	53.749	424.835	226.682
	261.849	73.575	(704.033)	11.589

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NOTE 5 - SEGMENT REPORTING (Continued)

c) Segmental analysis for the one year period ended 30 September 2012:

	Media (1)	Retail	Other (1)	Inter-segment elimination	Total
External revenues	1.831.233	242.929	222.901	-	2.297.063
Intra segment revenues	1.051.908	1.421	6.196	-	1.059.525
Inter segment revenues	19.980	1.799	23.674	-	45.453
Total revenues	2.903.121	246.149	252.771	-	3.402.041
Total cost of sales	(2.134.885)	(156.039)	(197.072)	-	(2.487.996)
Revenues	1.851.213	244.728	246.575	(45.453)	2.297.063
Cost of sales	(1.290.380)	(154.380)	(196.576)	18.448	(1.622.888)
Gross profit	560.833	90.348	49.999	(27.005)	674.175
Marketing, selling and distribution expenses (-)	(209.244)	(80.392)	(8.353)	671	(297.318)
General administrative expenses (-)	(241.381)	(6.654)	(69.636)	25.846	(291.825)
Other income/(expenses), net	169.883	852	(4.007)	285	167.013
Financial income	214.100	2.384	218.068	(11.631)	422.921
Financial expenses (-)	(210.133)	(4.929)	(209.889)	11.834	(413.117)
(Loss)/ Profit before income taxes	284.058	1.609	(23.818)	-	261.849

- (1) Doğan Havacılık, which is accounted for using the equity method by Doğan Yayın Holding, 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 three months period at 1 July- 30 September 2012:

	Media (1)	Retail	Other (1)	Inter-segment elimination	Total
External revenues	555.905	87.169	89.423	-	732.497
Intra segment revenues	307.323	(230)	2.852	-	309.945
Inter segment revenues	3.694	745	7.666	-	12.105
Total revenues	866.922	87.684	99.941	-	1.054.547
Total cost of sales	(651.571)	(52.928)	(68.573)	-	(773.072)
Revenues	559.599	87.914	97.089	(12.105)	732.497
Cost of sales	(395.218)	(52.919)	(68.113)	4.556	(511.694)
Gross profit	164.381	34.995	28.976	(7.549)	220.803
Marketing, selling and distribution expenses (-)	(68.658)	(30.926)	(2.939)	-	(102.523)
General administrative expenses (-)	(76.813)	(2.784)	(23.255)	6.689	(96.163)
Other income/(expenses), net (-)	446	310	16.031	861	17.648
Financial income	31.038	(311)	71.162	(325)	101.564
Financial expenses (-)	(22.865)	(1.025)	(44.188)	324	(67.754)
Profit/(loss) before income taxes	27.529	259	45.787	-	73.575

- (1) Doğan Havacılık, which is accounted for using the equity method by Doğan Yayın Holding, 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 30 September 2011:

	Media (1)	Retail	Other (1)	Inter segment elimination	Total
External revenues	1.670.107	203.775	199.351	-	2.073.233
Intra segment revenues	1.223.274	3.644	4.773	-	1.231.691
Inter segment revenues	15.317	2.343	10.609	-	28.269
Total revenues	2.908.698	209.762	214.733	-	3.333.193
Total cost of sales	(2.174.763)	(132.247)	(187.141)	-	(2.494.151)
Revenues	1.685.424	206.18	209.960	(28.269)	2.073.233
Cost of sales	(1.167.134)	(132.247)	(187.104)	13.821	(1.472.664)
Gross profit	518.290	73.871	22.856	(14.448)	600.569
Marketing, selling and distribution expenses (-)	(193.340)	(64.201)	(8.369)	3.482	(262.428)
General administrative expenses (-)	(223.928)	(6.768)	(43.896)	10.629	(263.963)
Other income/(expenses), net (-)	(945.387)	329	(4.570)	151	(949.477)
Financial income	120.579	1.424	759.051	(9)	881.045
Financial expenses (-)	(407.772)	(1.965)	(300.238)	195	(709.780)
(Loss)/profit before income taxes	(1.131.558)	2.690	424.834	-	(704.034)

- (1) Doğan Havacılık, which is accounted for using the equity method by Doğan Yayın Holding, 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 three months period at 1 July- 30 September 2011:

	Media (1)	Retail	Other (1)	Inter segment elimination	Total
External revenues	529.641	71.582	72.647	-	673.870
Intra segment revenues	361.780	1.605	(115)	-	363.270
Inter segment revenues	(378)	551	10.442	-	10.615
Total revenues	891.043	73.738	82.974	-	1.047.755
Total cost of sales	(704.811)	(52.082)	(67.633)	-	(824.526)
Revenues	529.263	72.133	83.089	(10.615)	673.870
Cost of sales	(401.073)	(43.412)	(67.661)	5.551	(506.995)
Gross profit	128.190	28.721	15.428	(5.464)	166.875
Marketing, selling and distribution expenses (-)	(65.908)	(25.681)	(2.967)	(3.876)	(98.432)
General administrative expenses (-)	(76.320)	(1.885)	(16.194)	9.102	(85.297)
Other income/(expenses), net (-)	(19.210)	(31)	2.593	40	(16.608)
Financial income	63.172	(472)	371.680	5	434.385
Financial expenses (-)	(245.146)	(523)	(143.859)	193	(389.335)
(Loss)/profit before income taxes	(215.222)	129	226.681	-	11.588

- (1) Doğan Havacılık, which is accounted for using the equity method by Doğan Yayın Holding, 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**

	30 September 2012	31 December 2011
<u>Total Assets</u>		
Media ⁽¹⁾	3.983.128	4.665.897
Retail	134.518	-
Other	6.290.606	5.870.511
	10.408.252	10.536.508
Less: segment elimination ⁽²⁾	(2.015.718)	(1.891.934)
Total assets per consolidated financial statements	8.392.534	8.644.474
<u>Shareholder's Equity</u>		
Media ⁽¹⁾	1.360.653	1.054.021
Retail	48.093	-
Other	4.516.577	4.579.413
Total	5.925.323	5.633.434
Less: segment elimination ⁽³⁾	(1.931.878)	(1.782.365)
Total shareholders' equity per consolidated financial statements	3.993.445	3.851.069
Non-controlling interests	(867.031)	(812.031)
Total shareholder's equity	3.126.414	3.039.038

(1) Since Doğan Havacılık which has been consolidated to Doğan Yayın Holding's consolidated financial statements with equity method is controlled by the Group, it has been reported in the "Other" operating segment by being consolidated with full consolidation method. Value carried to the consolidated financial statements of Doğan Yayın Holding with the equity value has been deducted from media segment's total assets and equity.

(2) Segment elimination amount consists of elimination of Group's subsidiary amount to Doğan Yayın Holding and reciprocal debit and credit balances between Media and Other segments.

(3) Segment elimination amount represents reciprocal elimination of Doğan Yayın Holding's adjusted capital amount within Media segment's total equity and Group's subsidiary amount to Doğan Yayın Holding.

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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

	1 January- 30 September 2012	1 July- 30 September 2012	1 January- 30 September 2011	1 July- 30 September 2011
<u>Purchases</u>				
Media	202.649	74.482	142.976	64.187
Retail	12.451	2.243	-	-
Other	245.627	80.368	271.419	119.468
Total	460.727	157.093	414.395	183.655

Amortisation and depreciation

Media	136.230	48.087	152.448	53.351
Retail	5.744	2.085	5.547	2.461
Other	23.825	10.227	20.016	5.468
Total	165.799	60.399	178.011	61.280

f) Non-controlling interests

	30 September 2012			31 December 2011		
	Doğan Family	Other	Total	Doğan Family	Other	Total
Media	85.151	731.987	817.138	78.343	679.852	758.195
Retail	3	65	68	-	-	-
Other	7.521	42.304	49.825	6.923	46.913	53.836
	92.675	774.356	867.031	85.266	726.765	812.031

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NOTE 6 - CASH AND CASH EQUIVALENTS

The breakdown of cash and cash equivalents at 30 September 2012 and 31 December 2011 are as follows:

	30 September 2012	31 December 2011
Cash	3.284	3.418
Banks		
- demand deposits	61.248	56.954
- time deposits	1.951.858	3.292.201
Other current assets	167.126	112.037
Reverse repurchase agreements	1.419	3.876
	2.184.935	3.468.486

The time deposits of the Group are mainly composed of USD, EUR and TRY and the effective interest rates of USD, EUR and TRY denominated time deposits are between 0,1% and 6% (31 December 2011: 0,5% and 6,05%), 0,25% and 6,75% (31 December 2011: 1% and 6,05%) and 3% and 9,5% (31 December 2011: 5,7% and 12,7%), respectively and its maturity is shorter than 3 months.

As of 30 September 2012, other current assets consist of credit card slip receivables amounting to TRY 50.889 (31 December 2011: TRY 36.247) and blocked deposits amounting to TRY 116.237 (31 December 2011: TRY 75.790).

As of 30 September 2012, reverse repo agreements are in US Dollars, EUR and TRY and the interest rates are %0,72, %0,75 ve %6,5, respectively.

Cash and cash equivalents disclosed in the consolidated statements of cash flows for the periods ended 30 September 2012 and 2011, 31 December 2011 and 2010 are as follows:

	30 September 2012	31 December 2011	30 September 2011	31 December 2010
Cash and cash equivalents	2.184.935	3.468.486	3.316.733	3.464.537
Accrued interest (-)	(8.780)	(10.460)	(9.802)	(5.708)
Cash and cash equivalents	2.176.155	3.458.026	3.306.931	3.458.829

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NOTE 7 - FINANCIAL INVESTMENTS
a) Current financial investments

	30 September 2012	31 December 2011
Government bonds and treasury bills	98.309	88.572
Time deposits	100.598	103.100
	198.907	191.672

Government bonds and treasury bills dominated in TRY and US Dollar, and interest rates are %11,52 and 4,44%, respectively (31 December 2011: 4,43%). Average annual effective interest rate of US Dollar denominated time deposits vary 5,35% (31 December 2011: %1-%6) and its maturity is longer than 3 months. As of 30 September 2012, there is no interest rates of TRY denominated time deposits.(As of 31 December 2011, average annual interest rate of TRY denominated time deposits is 9,37%).

b) Financial derivative assets

	30 September 2012	31 December 2011
Valuation of interest rate swap agreements	1.569	4.606
Term foreign currency purchase and sale transactions	1.392	34
	2.961	4.640

c) Non-current financial investments

	30 September 2012		31 December 2011	
	TRY	%	TRY	%
Marbleton Property Fund L.P (“Marbleton”)	12.154	9	12.154	9
Aks Televizyon Reklamcılık ve Filmcilik Sanayi ve Ticaret A.Ş. (“Aks TV”)	2.923	9	2.923	9
POAŞ ⁽¹⁾	928	0,03	699	0,03
Anten Teknik Hizmetler ve Verici Tesis İşletme A.Ş.	736	-	-	-
Other	611	-	914	-
Less: provision for impairment ⁽²⁾	(10.960)		(10.960)	
	6.392		5.730	

(1) After the removal of restriction on shares, “Restricted shares” which correspond to 0,03% of POAŞ’s capital (calculated as 192.500 shares as of the current situation) are decided to be transferred to OMV Enerji Holding A.Ş in a total cash consideration of EUR 600.000. Since the related share transfer has not been realized as of 30 September 2012, 192.500 shares that Group owns are recognized at fair value, which is calculated by using the market price of shares.

(2) As of 30 September 2012, available for sale financial assets except POAŞ are carried at the cost value. There are TRY 8.037 and TRY 2.923 impairment on Marbleton and Aks TV, respectively (31 December 2011: TRY 8.037 and TRY 2.923).

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NOTE 8 – FINANCIAL LIABILITIES

Short term financial liabilities:	30 September 2012	31 December 2011
Short-term bank borrowings	526.832	489.993
Short-term portion of long-term borrowings	448.420	404.158
Financial liabilities related with options	213.054	-
Interest bearing payables to suppliers	34.143	31.763
Financial lease liabilities	8.046	8.936
	1.230.495	934.850
Long term financial liabilities:	30 September 2012	31 December 2011
Long-term bank borrowings	1.745.900	1.351.125
Financial liabilities related with options	-	215.135
Interest bearing payables to suppliers	15.617	34.994
Financial lease liabilities	16.157	21.978
	1.777.674	1.623.232

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NOTE 8 - FINANCIAL LIABILITIES (Continued)

Breakdown of borrowings at 30 September 2012 and 31 December 2011 are as follows:

	30 September 2012			31 December 2011		
	Annual interest rate (%)	Original foreign currency	TRY	Annual interest rate (%)	Original foreign currency	TRY
TRY bank borrowings	7,25 – 13,50	95.674	95.674	12,25 – 15,50	149.858	149.858
USD bank borrowings	4,15 – 6,82	168.703	301.085	4,50 – 6,75	128.684	243.071
EUR bank borrowings	1,52 – 7,35	55.393	127.874	5,79 – 9,69	39.718	97.064
CHF bank borrowings	-	1.154	2.199	-	-	-
Sub-total			526.832			489.993
Short-term portion of long-term borrowings						
TRY bank borrowings	5 - 13,12	5.031	5.031	12,25– 15,50	3.005	3.005
USD bank borrowings	2,65 - 6,82	229.566	409.706	2,64 – 7,00	205.561	388.284
EUR bank borrowings	1,66 - 5,88	14.591	33.683	2,52 – 7,60	5.266	12.869
Sub-total			448.420			404.158
Total short-term borrowings			975.252			894.151
Long-term borrowings						
TRY bank borrowings	10,32	124.239	124.239	12,25 – 15,50	9.173	9.173
USD bank borrowings	4,24 - 6,82	765.882	1.366.869	2,64 – 7,00	695.915	1.314.514
EUR bank borrowings	1,52 – 6,22	110.371	254.792	2,52 – 6,90	11.228	27.438
Total long-term borrowings			1.745.900			1.351.125

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NOTE 8 - FINANCIAL LIABILITIES (Continued)**i) Borrowings (Continued)**

The redemption schedules of long-term borrowings at 30 September 2012 and 31 December 2011 are summarized below:

Years	30 September 2012	31 December 2011
2013	423.144	357.584
2014	460.950	424.058
2015 and after	861.806	569.483
	1.745.900	1.351.125

As of 30 September 2012, the floating rate bank borrowings of the Group denominated in USD have interest rates fluctuating between Libor + 2,4% and Libor + 6,25%(London Interbank Offered Rate) (December 31, 2011: Libor +2,4 and + 6,1%), TRY-denominated floating rate loans with interest rates of Libor + 2,06% Libor + 2,75%, (December 31, 2011: LIBOR + 2,15% to LIBOR + 2,75%), and the Euro denominated floating rate of Euribor + 0,95% of loans with interest rates of Euribor + 6% (December 31, 2011: Euribor + 0,75% and Euribor + 4,5%), respectively.

Carrying value of the financial liabilities is considered to approximate their fair value since discount effect is not material. Group borrows loans on fixed and floating interest rates. At 30 September 2012, bank borrowings with floating interest rates amounted to TRY 2.073.534 (31 December 2011: TRY 1.631.165).

Commitments and financial terms about borrowings**Media**

The financial condition to be performed against the bank regarding the long-term bank borrowing of the Hürriyet, one of the subsidiaries of is the Group, to maintain the ratio of net debt amount to EBITDA and shareholders' equity identified by the bank for the last 12 months consolidated financial statements that would remain below a certain level.

Also Hürriyet and Doğan Yayın Holding have committed not to enter any merger, split, restructuring activities that can change the partnership structure or main business line of TME. The Group's certain operations, such as; new mergers and share acquisitions, new joint venture contracts, other than permissible mergers and transactions have been restricted.

The Group has given guarantees amounting to 33.649.091 shares, which represents 67,3% of TME, one of the subsidiaries of the Group, to financial institutions in regards to long term loans (31 December 2011: 33.649.091 shares).

Should there be any control change(s) in TME or any violations/illegal conducts on the performance of contract terms, loan agreement will be terminated and loan will be redeemed.

Furthermore, if TME sells or disposes of more than 10% of its consolidated net assets or there are any changes in the TME's shareholder's equity related to 10% of consolidated net assets, the loan agreement will be terminated and Hürriyet will be required to redeem the loan amount.

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NOTE 8 - FINANCIAL LIABILITIES (Continued)

i) Borrowings (Continued)

Commitments and financial terms about borrowings(Continued)

Media(Continued)

OOO Pronto Moscow, one of the indirect subsidiaries of the Group, has restructured its bank loan classified under the long-term financial liabilities as of 31 December 2010 amounting to USD 70.000, as at 15 April 2011. Under the loan restructuring agreement, Doğan Holding's USD 70.000 of deposit amount has been blocked as a guarantee against the related loan (Note 17).

Other

Boyabat Elektrik

Group's joint venture Boyabat Elektrik's construction of 513MW installed capacity dam-type hydroelectric power plant project at the township Boyabat in the province Sinop is expected to be go into operation in December 2012. Boyabat Elektrik's investment has been financed with the combination of debt and equity. According to preliminary protocol signed on 25 July 2008 and 31 August 2009 and credit contract signed on 15 January 2012, USD 750.000 credit is provided to Boyabat Elektrik by Turkish commerce banks' consortium. Boyabat Elektrik used the funds of mentioned financing package on various dates until 30 September, 2012.

Financial commitments that must be met by Boyabat Elektrik related to the loan are as follow:

- Debt/Equity ratio must not be over the ratio of 70:30 during the credit duration.
- Debt Coverage ratio must not be below the ratio of 1.1:1 on any of the two consecutive interest payment dates (the earliest from the completion of all funded projects).

At the context of the loan agreement signed on 15 January 2010 and share pledge agreement signed on 15 January 2010 and additional share pledge agreements signed on various dates, entire shares of Boyabat Elektrik were pledged on behalf of consortium of lender banks.

Aslancık Elektrik

Group's joint venture Aslancık Elektrik's construction of 120 MWm /93 MWe installed capacity hydro energy production facility in Giresun,Doğankent began in 2010 and scheduled to be completed in 2013. Based on the loan agreement signed on 24 January 2011, in total USD 160.000 of loan was planned to be provided to Aslancık Elektrik In this context, Aslancık Elektrik used USD 123.648 amounted bank loan. Group pledged the entire shares of Aslancık Elektrik on behalf of financial institutions according to the loan agreement discussed above.

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NOTE 8 - FINANCIAL LIABILITIES (Continued)

i) Borrowings (Continued)

Share pledges

11,3% shares of Doğan Yayın Holding (226.354.060 (exact) shares), 13,3% shares of Hürriyet (73.200.000 (exact) shares), 49% shares of Kanal D (24.500.000 (exact) shares), 67,3% shares of TME (33.649.091 (exact) shares), 33,33% shares of Aslancık Elektrik 25.000.000 (exact) shares) and 33% shares of Boyabat Elektrik (6.996.000 (exact) 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 the Group, 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 (exact) per share (initial price) (TRY 4,73 (exact)), 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.

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, is presented as a financial liability ‘88.000 USD’ 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 of 30 September 2012, total lease payment commitments of the Group relating to such short and long term lease agreements amount to TRY 24.203 (31 December 2011: TRY 30.914).

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NOTE 8 - FINANCIAL LIABILITIES (Continued)**iii) Financial lease liabilities (Continued)**

The redemption schedules of long-term leasing payables at 30 September 2012 and 31 December 2011 are summarized below:

	30 September 2012	31 December 2011
2013	2.071	7.375
2014	8.066	8.054
2015 and after	6.020	6.549
	16.157	21.978

iv) Interest bearing payables to suppliers

Interest bearing payables to suppliers are related to the machinery and equipment purchases of Hürriyet, one of the subsidiaries of the Group. interest rates of these short-term and long-term financial liabilities in USD, EUR, CHF are 1,04%, 1,26% and 1,26%, respectively (31 December 2011: USD 0,9%, EUR 2,1%, CHF 1,7%).

The maturity analysis of long-term interest bearing payables to suppliers at 30 September 2012 and 31 December 2011 is as follows:

	30 September 2012	31 December 2011
2013	7.834	27.794
2014	7.783	7.200
Total	15.617	34.994

The Group's short-term financial liabilities to suppliers issued at variable interest rates are amounting to TRY 34.143 (31 December 2011: TRY 31.763) and long-term financial liabilities TRY 15.617 as of 30 September 2012 (31 December 2011: TRY 34.994).

Interest bearing payables to suppliers have floating interest rates. The exposure of the Group's financial liabilities to suppliers to the risk of interest rate changes and the contractual repricing dates are as follows:

	30 September 2012	31 December 2011
6 months and less	49.760	66.757
Total	49.760	66.757

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

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NOTE 8 - FINANCIAL LIABILITIES (Continued)**(v) Other Financial Liabilities**

The breakdown of other financial liabilities at 30 September 2012 and 31 December 2011 are summarized below:

Other short term financial liabilities:	2012	2011
Share purchase commitment (Note 15)	156.793	66.438
Short term coupon payment of long term bond ⁽¹⁾	13.595	2.233
Factoring payables	1.167	2.890
	171.555	71.561
Other long term financial liabilities:	2012	2011
Share purchase commitment (Note 15)	277.387	434.962
Bond ⁽¹⁾	23.879	21.558
	301.266	456.520

(1) These are obligations related to the bonds issued by the joint venture DD Konut Finansman on 21 July 2010, amounting to TRY 50.000, with 3-year maturity and quarterly coupon payment with a fixed interest rate (9,92% annual nominal interest rate; bond issued on 11 January 2012 amounting to TRY 30.000 with 1-year and maturity coupon payment with a fixed interest rate at the end of the maturity. At the period that ended on 30 September 2012, TRY 3.800 (31 December 2011: TRY 1.208) interest expense has arisen related to aforementioned bonds.

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NOTE 9 - TRADE RECEIVABLES AND PAYABLES

<u>Short-term trade receivables</u>	30 September 2012	31 December 2011
Trade receivables	862.816	833.467
Notes and cheques receivable	56.391	36.086
Other	-	2.571
Total	919.207	872.124
Less: unearned financial income due to sales with maturity	(8.628)	(13.081)
Less: provision for doubtful receivables	(189.546)	(179.391)
	721.033	679.652

In the media segment of the Group, the average maturity of not overdue trade receivables is average of 91 days as of the balance sheet date (31 December 2011: 67-91 days). The maturities of trade receivables of the Group vary, in the publishing segment of the Group the discount rate of trade receivables calculated as annual compound is 14,03% (31 December 2011: 10%-14,4%) and in the broadcasting segment of the Group discount rate of trade receivables calculated as annual simple is 11,75% (31 December 2011: 12%).

In the retail segment of the Group, the average maturity of not overdue trade receivables is 45 days as of the balance sheet date (31 December 2011: 45 days). Average discount rate calculated as annual compound of trade receivables is 14,03% (31 December 2011: 14,4%).

In the other segment of the Group, the average maturity of not overdue trade receivables is averagely 50 days as of the balance sheet date (31 December 2011: 30-90 days). Average discount rate calculated as annual compound of trade receivables is 14,03% (31 December 2011: 14,4%).

<u>Long-term trade receivables</u>	30 September 2012	31 December 2011
Trade receivables, net	150.996	133.253
Notes receivables, net	212	274
	151.208	133.527

Group's long-term trade receivables arise from DD Konut Finansman and all amounts are guaranteed by mortgages.

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NOTE 9 - TRADE RECEIVABLES AND PAYABLES (Continued)

The movements of provision for doubtful receivables for the current period is as follows:

	2012	2011
As of 1 January	(179.391)	(193.662)
Provision booked in the current period (Note 22)	(17.971)	(19.873)
Provisions booked from discontinued operations	-	(2.569)
Provisions released related with discontinued operations	-	9.102
Effect of changes in consolidation rates	(306)	-
Collections and cancelled provisions from continued operations	6.975	7.973
Currency translation differences	1.097	(2.324)
Reversed provisions due to disposal of subsidiary	50	-
30 September	(189.546)	(201.353)

Aging analysis of trade receivables

As of 30 September 2012, trade receivables of amounting to TRY 230.051 (31 December 2011: TRY 200.152) were past due but not impaired. The Group does not foresee any collection risk for these overdue receivables due to sector dynamics and circumstances.

As of 30 September 2012, the Group has letters of guarantee, guarantee notes, guarantee cheques and mortgages amounting to TRY 215.388 (31 December 2011: TRY 197.388) related to trade receivables amounting to TRY 872.241 (31 December 2011: TRY 813.179).

The guarantees received for the total trade receivables of the Group amounting to TRY 872.241 as of 30 September 2012 (31 December 2011: TRY 813.179) consist of bank guarantee letter amounting to TRY 18.776 (31 December 2011: TRY 3.169), bails and mortgages amounting to TRY 185.487 (31 December 2011: TRY 182.872) and cheques and bonds amounting to TRY 11.125 (31 December 2011: TRY 11.347). Bank guarantee letter amounting to TRY 3.610, bails and mortgages amounting to TRY 16.714, cheques and bonds amounting to TRY 6.311 (31 December 2011: bank guarantee letter amounting to TRY 420, bails and mortgages amounting to TRY 8.939, cheques and bonds amounting to TRY 8.099 and receivable insurance amounting to TRY 2.327) (Note 28).

<u>Short-term trade payables</u>	30 September 2012	31 December 2011
Trade payables	363.212	446.043
Notes payable	3.521	3.071
Other	308	284
Less: deferred financial expense due to purchase with maturity	(258)	(4.401)
	366.783	444.997

The average maturity of not over due trade payables is between 30 to 55 days as of 30 September 2012 (31 December 2011: 30-53 days).

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NOTE 10 – OTHER RECEIVABLES
Other short-term receivables

	2012	2011
Notes receivable ^{(1) (2)- (3)}	103.602	29.916
Deposits and guarantees given	1.420	4.722
Other miscellaneous receivables	1.448	220
	106.470	34.858

Other long-term receivables

Notes receivable ^{(1) (2) (3) (4)}	442.005	398.210
TEİAŞ power transmission line receivables ⁽⁵⁾	7.973	-
Deposits and guarantees given	2.019	1.598
Other miscellaneous receivables	4	41
	452.001	399.849

- (1) TRY 26.666 (31 December 2011: TRY 29.916) of short-term notes receivables and TRY 39.222 (31 December 2011: TRY 63.908) of long-term notes receivables are composed from the sales of shares of Bağımsız Gazeteciler shares and all Milliyet brand, royalties and internet domain names to DK Gazetecilik ve Yayıncılık A.Ş at 2 May 2011. Notes are presented at amortized cost. The discount amount is TRY 672 at 30 September 2012 (31 December 2011: TRY 985).
- (2) Excluding the accrued interest, TRY 314.107 (USD 176 million) of long term notes receivables as of 30 September 2012 (31 December 2011: TRY 332.446) consists of the receivables from Doğuş Yayın Grubu regarding the sale of shares of Işıl Televizyonculuk Yayıncılık A.Ş (Star TV) as of 3 November, 2011. 3,58% of annual interest rate is applied to the related amount. TRY 2.895 of interest accrual is recognized in short-term notes receivables regarding this receivable as of 30 September 2012. The maturity of the receivable is 2 November 2013. Doğuş Holding A.Ş. has become the guarantor for the related receivable.
- (3) Hürriyet, a subsidiary of the Group, sold the properties that consist of 58.609,45 m2 land and buildings, including the building that has been used as company headquarters for 28 years (Hürriyet Media Towers) in Bağcılar, Istanbul to Nurol Gayrimenkul Yatırım Ortaklığı in consideration of USD 127.500 (TRY 225.994), excluding late interest. USD 17.500 of the consideration was paid in cash and the remaining portion which amounts to USD 110.000 is payable in 32 equal installments as of 6 March 2012 by applying 3,5% interest rate for the remaining installment portions. As of 30 September 2012, USD 41.250 (TRY 73.619) of the related consideration is recognized as short-term notes receivables and cheques and USD 44.688 (TRY 79.754) is recognized as long term notes receivables and cheques in the accompanying consolidated financial statements. Interest amount that is collectible in relation to principal amount is USD 6.396. USD 2.116 (TRY 3.751) of the related amount, excluding VAT, has been collected and is recognized as finance income in the accompanying financial statements in the current period. Interest accrual calculated by using the effective interest rate in the current period amounts to USD 237 (TRY 422) and is recognized as short-term notes receivables and cheques and finance income in the accompanying financial statements.
- (4) Long-term notes receivables amounting to TRY 8.922 consists of notes receivables from the other shareholders of Nakkaştepe Real Gayrimenkul.
- (5) The amount consists of the receivables of Akdeniz Elektrik and Galata Elektrik from the power transmission line of TEİAŞ.

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NOTE 10 – OTHER RECEIVABLES (Continued)

	30 September 2012	31 December 2011
Other Short Term Payables		
Taxes and funds payable	48.378	58.996
Advances received	14.743	6.152
Due to personnel	8.698	16.419
Deposits and guarantees received	8422	55
Other short term payables ⁽¹⁾	5.728	8.285
	86.989	89.907

	30 September 2012	31 December 2011
Other Long Term Payables		
Due to Devlet Su İşleri (“DSİ”) ⁽¹⁾	35.869	27.774
Deposits and guarantees received	16.102	19.759
Other long term payables	8	1.697
Advances received (Note: 22) ⁽²⁾	-	47.222
	51.979	96.452

(1) Boyabat Dam and Hydroelectric Power Plant construction was initiated in 1991 by DSİ. Boyabat took over the construction investments made up until that date and the right to use water with the agreement of Water Usage Rights signed on 25 November 2007 with DSİ. Contract value has been determined as TRY 91.862 (TRY 30.314 with parent company effective share) at contract date, according to the agreement it will be increased by PPI each year. The estimated PPI is the expected PPI indices released by the Central Bank of the Republic of Turkey and it is updated as necessary throughout the year. Repayments will begin after 5 years of operation from the beginning date and will be made by ten installments. This obligation to DSİ has been discounted by using 7,94% (2011:10,6%) effective interest rate and shown in the financial statements dated 30 September 2012 from the value of discounted amount which is equal to TRY 35.869 (2010: TRY 27.774). Interest expense amounting to TRY 8.095 (1 January-30 September 2011: TRY 15.061) which arises between 1 January – 30 September 2012 has been added to ongoing investments.

(2) As of 31 December 2011, TL 47.222 (USD 25.000) in the total advances received amount is the advance received for the joint venture agreement of Eko TV signed between Doğan TV Holding and Turner Broadcasting System International Inc. (“Turner”) at 17 July 2007. Within the scope of this agreement, Doğan TV Holding has granted a call option to Turner for the 25% of the shares of Eko TV until the year 2017. The call option could only be exercised when RTSC regulation permits the transfer of the shares. In accordance with the amendment to the Law no: 6112 “Establishment and Broadcasting Services of Radio and Television Companies” published in the official Gazette on March 3, 2011, this option has become available and exercisable to Turner. As of 14 June 2012, Doğan TV Holding and Turner’s joint venture agreement is terminated and the related option is not exercised. Therefore, USD 25.000 (TL 45.767) recognized as advances received in the 31 December 2011 financial statements is recognized under other operating income in the current period (Note 28). Following the termination of the agreement, the Group has purchased 19,98% participation of Eko TV in consideration of TL 4.331 (Note 3).

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NOTE 11 - INVESTMENT PROPERTY

The movements in investment property during the interim periods ended 30 September 2012 and 2011 are as follows:

	2012	2011
1 January	148.601	141.800
Additions ⁽¹⁾	79.447	9.713
Depreciation	(1.171)	(1.467)
Disposals	(18.480)	(9.986)
Discontinued operations	-	(159)
Transfers	6.236	-
Currency translation differences	(6.090)	11.982
Impairment (provision) / reversal (Note 22)	1.457	(346)
30 September	210.000	151.537

(1) Additions amounting to TRY 56.970 is related to the purchase of real estate of Nakkaştepe Gayrimenkul.

The fair value of investment property of the Group as of 30 September 2012 is TRY 283.579 (31 December 2011: TRY 231.007). The group has rent income amounting to TRY 2.226 from investment property (30 September 2011: TRY 2.486) . Direct operating costs in the current period resulting from investment property is TRY 631 (30 September 2011: TRY 984).

NOTE 12 - PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS
a) Property, Plant and Equipment

Movement of the property, plant and equipment for the interim periods ended as of 30 September 2012 and 2011 are as follows:

	2012	2011
1 January	1.217.645	929.330
Additions to construction in progress(1)	186.231	244.390
Other additions	130.549	93.958
Depreciation (-)	(99.921)	(90.641)
Disposals (-)	(24.712)	(10.202)
Transfers (2)	9.745	24.456
Discontinued operations	-	(1.128)
Purchase of subsidiary (Note 3)	244.405	-
Currency translation differences	(2.529)	12.402
30 September	1.661.413	1.202.565

(1) TRY 108.536 of 186.536, additions in investments in progress (30 September 2011: TRY 215.934), belongs to Boyabat Elektrik's, TRY 26.666 (30 September 2011: TRY 20.316) of it belongs to Aslancık Elektrik's investments in progress.

(2) Transfer amounting to TRY 13.320 belongs to advances given. Transfer amounting to TRY (2) belongs to intangible asset..

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NOTE 12 - PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS(Continued)

- (3) Discontinued operations include the Group’s disposal of assets that are related to the sales of Bağımsız Gazeteciler and Milliyet brand on 2 May 2011 (Note 25).

There is mortgage amounting to TRY 397.147 on the property, plant and equipment as of 30 September 2012 (31 December 2011: TL 420.254). The carrying amount of the property, plant and equipment of the Group acquired thorough finance leases as of 30 September 2012 is TL 48.992(3 September 2011:TRY 56.776) The accumulated depreciation as of 30 September 2012 is TL 26.121 (30 September 2011: TL 25.619).

Financial expense, which is capitalized under fixed assets under construction, includes interest expense and fx loss amounted 39.734 TL (30 September 2011: 20.147 TL).

b) Intangible Assets

Movement for intangible assets and related amortization for the interim periods ended at 30 September 2012 and 2011 are as follows:

	2012	2011
1 January	662.930	787.187
Additions	40.951	15.168
Change in consolidation ratio ⁽¹⁾	90	-
Amortization (-)	(36.337)	(40.411)
Disposals (-)	(2.056)	(333)
Transfers (-)	2	345
Discontinued operations ⁽²⁾	-	(51.952)
Purchase of subsidiary	38	-
Currency translation differences	(29.300)	78.376
30 September	636.318	795.354

- (1) The Group has completed the share purchase transaction for the 19,98% shares of Eko TV which was journalized as joint venture as of 31 December 2011 as of 6 September 2012 and the Company has been included as subsidiary in the accompanying financial statements as of this date.
- (2) As a result of Group’s sales of Bağımsız Gazeteciler and Milliyet’s all brand and name rights and internet domain names as at 2 May 2011 and Star TV’s shares as at 3 November 2011, those assets have been classified into “discontinued operations” as of 31 December 2011 (Note 25). Those assets’ operation results regarding the period ended on 30 June 2011 also have been classified into discontinued operations in accordance with the principle of consolidated 30 September 2012 financial statements’ comparison. Depreciation expense regarding those operations amounting to TRY 8.641 has been classified into discontinued operations.

Movement for television program rights and related amortization for the interim periods ended at 30 June 2012 and 2011 are as follows:

	2012	2011
1 January	64.296	72.148
Additions	23.549	44.192
Amortization (-) ⁽¹⁾	(28.370)	(45.492)
Provision for impairment (-)	(247)	(2.288)
Currency translation differences	(499)	2.397
30 June	58.729	70.597

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**NOTE 12 - PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS
(Continued)**

(1) TRY 6.439 of depreciation and amortization amount derived from the sale of Star TV of the Group on 3 November 2011 is recognized under the discontinued operations account on the financial statements for the interim period ended 30 June 2011.

TRY 310(2011:TRY 394) of depreciation and amortization amount of tangible and intangible assets has reflected to inventories and TRY 23 has accounted under construction in progress.

NOTE 13- GOODWILL

Movement of the goodwill for the six-months periods interim ended as of 30 September 2012 and 2011 is as follows:

	2012	2011
1 January	539.951	896.653
Purchase of subsidiary (Note 3)	250.637	-
Currency translation differences	(2.865)	28.787
Discontinued Operations (Note 25) (1)	-	(47.757)
Other (2)	694	1.502
30 September	788.417	879.195

(1) 99,99% of its shareholding in the Group's subsidiary, Bağımsız Gazeteciler, was disposed of on 2 May 2011. TRY 47.757 of goodwill arising from the acquisition of Bağımsız Gazeteciler is derecognized from the financial statements (Note 25).

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

NOTE 14 - GOVERNMENT GRANTS

- The subsidiary of the Group, Hürriyet, obtained six Investment Incentives Certificate for the imported equipments amounting to USD 13.661 and domestic equipments amounting to TRY 1.280 for the modernization of its printing plants in Istanbul, Ankara, Izmir, Adana, Antalya and Trabzon on 28 October, 2 and 4 November and 30 December 2011. The agreements are valid for two years and equipment imported within the scope of the certificate is exempt from Customs Duty and VAT. The investments amounting to USD 13.450 for imported equipments and TRY 1.280 for domestic equipments are realized within these certificates as of 30 September 2012 (31 December 2011: None).
- 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 to TRY 500 (2011: TRY 452) is reflected in the financial statements as income from other operations.
- Ditaş obtained incentive certificate at 27 January 2011 from Turkish Treasury of Incentive Executive General Directorate for making the investment amounting TRY 9.589 for the modernization of machinery racecourse to increase production capacity. Within the context of incentive certificate 60% tax deduction, 20% investment contribution rate and VAT exemption, custom tax exemption and interest support will be provided for 3 years with insurance Premium employer share support. The date of completion is 21 December 2013.

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NOTE 15 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

Short-term provisions	30 September 2012	31 December 2011
Provision for withholding tax	23.000	22.130
Provision for lawsuits	26.846	21.957
Other	228	6
	50.074	44.093

(a) Law Cases:

The details of litigations against Group are amount of TRY 84.119 (31 December 2011: TRY 78.999).

	30 September 2012	31 December 2011
Civil lawsuits	59.455	54.987
Commercial lawsuits	15.305	9.647
Business lawsuits	7.279	7.936
Other	2.080	6.429
Total	84.119	78.999

A provision for lawsuits filed against the Group whose details are given above amounting to TRY 26.846 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 2011: TRY 21.957). Legal cases mainly consist of pecuniary and non-pecuniary damages and lawsuits filed against Doğan Yayın Holding and its subsidiaries and lawsuits initiated by the Radio and Television Supreme Council.

(b) Tax penalty and law suits:

The Group’s decision on the requirements set out in relation to “Tax Base Increase” in Law No: 6111 “Restructuring of some receivables and Social Security and General Health Insurance Law and Other Law Amending Certain Laws and Decrees”

The Group management plans to make use of the requirements set out in relation to “Undue and on Trial Tax Liabilities” and “Tax Base Increase” in Law No: 6111 “Restructuring of some receivables and Social Security and General Health Insurance Law and Other Law Amending Certain Laws and Decrees” (“Law No: 6111”), which has become effective upon the issuance in the Official Gazette No: 27857 (I.Bis) on 25 February 2011. Calculated on the basis of Law No: 6111 as a part of payment in advance as a part of the rest of the entire portion of which will be paid 18 equal installments and at 36 months, 9 with installments paid as of 28 September, 2012. In this regard the Group has no outstanding liability under Law No:6111. The liability and expense amounts of the Group are summarized below;

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

(b) Tax penalty and law suits (continued):

Undue and on trial tax liabilities in dispute

Under the requirements of Law No. 6111, TL 37.430 portion of the related amount is paid in cash until 30 June 2011. In this scope, TL 423.588 portion of TL 886.772 of principal including interest is paid in 8 installments, and the remaining portion (TL 463.184) is paid including the 9th installments. TL 58.013 (31 December 2011: TL 38.595, 30 September 2012: TL 19.418) of total interest payment is made regarding “undue and on trial tax liabilities in dispute” paid in installments. The Group has made a total payment of TL 924.202 including interest regarding its “undue and on trial tax liabilities in dispute” in accordance with Law No: 6111 and the Group has no outstanding liability in this regard.

Tax base increase

Under the requirements of law no: 6111, TL 66.040 portion is paid in cash until 30 June 2011. In this scope, TL 15.063 portion of TL 31.534 which will be paid in 18 installments in 36 months is paid in 8 installments, and the remaining portion (TL 16.471) is paid including the 9th month installments. TL 2.069 (31 December 2011: TL 1.372, 30 September 2012: TL 697) of total interest payment is made regarding tax base increase paid in installments. The Group has made a total payment of TL 97.574 including interest regarding its “tax base increase” in accordance with Law No: 6111 and the Group has no outstanding liability in this regard.

Group’s subsidiary Doğan Yayın Holding sold 90.854.185 shares (“Axel shares”), 25% of the share capital of Doğan TV Holding, to Commerz-Film GmbH (formerly registered as Dreiundvierzigste Media Vermögensverwaltungsgesellschaft mbH), a 100% subsidiary of Axel Springer AG, for EUR 375.000 (TRY 694.312, this amount is defined as “initial sales price”) on 2 January 2007. In accordance with the Share Sale Agreement (“Agreement”) that the initial sales price will be revised based on whether the “initial public offering” (“IPO”) of the shares of Axel or not.

Dates for the reassessment of the original selling price as set out in the agreement signed by Doğan Holding, Doğan Yayın Holding, Doğan TV Holding and Commerz-Film GmbH and Hauptstadtsee 809.V V GmbH on 19 November 2009 have been postponed for a maximum period of 6 years without being subject to any condition. The related agreement dated 19 November 2009, was amended by a new agreement (Amendment agreement) signed with Doğan Holding, Doğan Yayın Holding, Doğan TV Holding, Commerz-Film GmbH and Hauptstadtsee 809. V V GmbH at 31 October 2011.

The below conditions set out in the agreement signed on 19 November 2009 are applicable as of 19 February 2010.

- In the agreement dated November 19, 2009, Axel Springer Group has sale options for 3,3% of its shares in Doğan TV Holding 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 (“DTV Put Option I”). Axel Springer Group may exercise the sale options fully or partially.

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

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

Payables will include interests’ payments of annual combined 12 months Euro Libor plus 100 base points as of 2 January 2007. Under the amendment agreement dated 31 October 2011, existing “DTV Put Option I” terms are revised and accordingly, the related terms require the put options exercisable for the periods subsequent to January 2013 and January 2014 in consideration of EUR 50.000 to cover only 33.843.238 shares (exact) in each period. The Amendment also allows Axel Springer another put option exercisable for 34.183.593 shares (exact) for the period subsequent to 2015 in consideration of EUR 50.000.

The contract dated November 19, 2009, Axel Springer Group, “Axel Shares” all or a portion of the per share 4.1275 (exact) per share is determined by specific valuation techniques Euro or higher of the fair value of put option Doğan Holding and Doğan Holding is the commitment to purchase (“DTV Put Option II”). Consideration to be paid an annual compound basis from the date of January 2, 2007, 12-month Euro Libor plus 100 basis points, based on the calculated interest will be added. To exercise this option, the following conditions must be met.

- Doğan TV Holding 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 Holding,
- 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.

This time, with the amendment agreement dated 31 October 2011, EUR 4,1275 (exact) per share is updated as EUR 1,46269 (exact) because of the increase in the share capital of Doğan TV.

As per the Amendment Agreement dated 31 October 2011, the Axel Springer Group has also requested two guarantee letters amounting to EUR 50.000 each in order to guarantee the liabilities of Doğan Holding under the “DTV Put Option I”. Two guarantee letters amounting to EUR 50.000 were given by Doğan Holding as at 10 February 2012. In addition, a third guarantee letter amounting to EUR 50.000 in consideration of 34.183.593 shares were given in the same period to be used as of January 2015.

EUR 375.000, which is defined above as the initial sale price, can be amended based on the circumstances explained below. Under the agreement, the “initial sale price” will be determined based on the IPO or non-IPO option of Axel shares.

In the event that “Axel shares” are offered to public by 30 June 2017 and if quarterly share value of “Axel Shares” in average subsequent to public offering is less than the amount of which will be calculated by adding interest over the original selling price (it will be remeasured using a 12 month Euro Libor rates on annual compound basis effective from 2 January 2007) to the original selling price, both the difference resulting from the quarterly share value of “Axel Shares” in average subsequent to public offering and the original selling price and the amount calculated by adding interest over the difference would be paid by Doğan Yayın Holding to the Axel Springer Group.

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NOTE 15 - 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 "Axel Shares" are offered to public by 30 June 2017 and if quarterly share value of "Axel Shares" in average subsequent to public offering is higher than the original selling price, both the difference resulting from the quarterly share value of "Axel Shares" in average subsequent to public offering and the amount of which will be calculated by adding interest over the original selling price (as measured by using an annual combined Euro Libor plus 100 base points as of 2 January 2007) to the original selling price would be equally shared between the Axel Springer Group and Doğan Yayın Holding.

In the event that "Axel Shares" are not offered to public by 30 June 2017 and if the fair value of Doğan TV Holding, which will be calculated by using certain valuation techniques as at 31 December 2015, is less than the amount of which will be calculated by adding interest over the original selling price (as measured by using an annual combined Euro Libor plus 100 base points as of 2 January 2007) to the original selling price, both the fair value of Doğan TV Holding, which will be calculated by using certain valuation techniques as at 31 December 2015, and the difference of the original selling price and the amount calculated by adding interest over the difference would be paid by Doğan Yayın Holding to the Axel Springer Group. If Doğan TV Holding's shares are not listed by the end of 30 June 2017, the fair value based on the above-mentioned techniques would be reassessed, payments would be made to the Axel Springer Group in accordance with the related calculations, and Axel Springer Group's call option of its entire or some portion of "Axel shares" to Doğan Holding and Doğan Holding's put option for the related shares would continue to be in effect.

In the event that Axel Springer group 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.

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

For the above matter, Group has evaluated the cash flow projection of Dogan TV Holding for the period of 2012-2016 as of 31 December 2011 in order to identify whether it will assume any future financial liability. In accordance with the projection, there are not any financial liabilities arising from the share acquisition, which represents 19,9% of Doğan TV Holding's capital, by the Axel Springer Group.

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

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

The Group is also responsible for any unprovisioned liability arising from tax assessments prior to the closing date of sale agreement as required in the Axel share acquisition and transfer “Agreement”. The effect of liability arising from Law no: 6111 in regards to Doğan TV Holding over the share value is compensated in proportion to the share capital to Commerz-Film GmbH. In this content, the payment made to Commerz-Film GmbH amounts to TRY 165.523. The related payment has been made on 17 August 2011. Accordingly, Commerz-Film GmbH has participated in the capital increase of Doğan TV Holding from TRY 456.554 to TRY 1.288.328 through the usage of nominal values in the new share acquisition rights in the share of participation at nominal value. The capital increase has been registered on August 17, 2011. The share interest of Commerz-Film GmbH in Doğan TV Holding (19,9%) have remained still after the capital increase. Accordingly, the Group has indemnified TRY 165.523 of liability arising from Doğan TV Holding and its subsidiaries’ undue and on trial tax liabilities in dispute under Law No: 6111 which represents the portion corresponding to Axel Springer Group’s current ownership percentage (19,9%). The related liability portion is not recognized under the non-controlling interests account in the consolidated financial statements prepared as of 31 December 2011.

Agreement signed on 19 November 2009 was altered with 31 October 2011 and 28 February 2012 dated modification agreements signed by Doğan Holding, Doğan Yayın Holding, Doğan TV Holding, Commerz-Film GmbH and Hauptstadtsee 809. V V GmbH.

Within the scope of “DTV Put Option”, Doğan Holding gave an other bank letter amounting to EUR 50.000 to Axel Springer Group with 28 February 2012 dated modification agreement. According to the agreement, first bank letter will guarantee Doğan Holding’s payment obligation amounting to EUR 50.000 in return for 33.843.238 shares and request for payment can be done between 10 February 2013 and 11 March 2013. Second bank letter will guarantee Doğan Holding’s payment obligation amounting to EUR 50.000 in return for 33.843.238 shares and request for payment can be done between 10 February 2014 and 11 March 2014. Third bank letter will guarantee Doğan Holding’s payment obligation amounting to EUR 50.000 in return for 34.183.593 shares and request for payment can be done between 10 February 2015 and 11 March 2015.

Group, in connection with the above operation, made the fair value determination working for Doğan TV Holding as at 31 December 2011 in order to determine whether it will go under any financial liability or not. Within the framework of fair value calculation, any liability regarding “Axel Shares” which correspond to 19,9% of Doğan TV Holding shares, except those within the scope of above-mentioned “DTV Put Option I”, does not arise regarding purchase transactions from Axel Springer Group within the scope of “DTV Put Option II” as of report date.

With regard to the Group’s commitment to purchase a total of EUR 150.000, IAS 32 “Financial Instruments: Disclosure and Presentation” standard requires presentation of this liability as financial liability over the amount of discounted estimated value at the balance sheet regardless of Group’s ability to pay a portion of this liability in its own shares instead of in cash. Accordingly, amount of liabilities within the scope of “DTV Put Option I” as of 30 September 2012 is TRY 416.080 (31 December 2011: TRY 434.962) which is the discounted amount at the accompanying consolidated balance sheet. TRY 138.693 (31 December 2011: none) of that amount is represented in “other short-term financial liabilities” and TRY 277.387 (31 December 2011: 434.962) of it is represented in “other long-term financial liabilities” (Note 8).

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

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

(d) Put options:

Pronto Moscow options

In January 2007, OOO Pronto Moscow, a subsidiary of Hürriyet, a subsidiary of the Group, 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. The Group has purchased shares as of 25 May, 2012 regarding non-controlling share of 10% by making a payment of TRY 970 (USD 528) and the related liability is settled accordingly (31 December 2011: TRY 1.097). Group still has the option to purchase the remaining 3% share in the capital of Impress Media. The fair value of the option is determined based on calculation over Impress Media EBITDA and as of 30 September 2012, the short-term portion of the fair value of the put option is TRY 108 (31 December 2011: TRY 108).

Oglasnik options

Hürriyet, a subsidiary of the Group, 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. Discussions concerning the use of this option as of the reporting date of these financial statements are still ongoing. As of 30 September 2012, the fair value of the option is calculated as TRY 14.276 (USD 8.000) based on various valuation techniques and assumptions and classified in “Other short-term financial liabilities” (31 December 2011: TRY 15.111 (USD 8.000)). There is a dispute on the protocol between the contract parties and an arbitration process is in progress in the presence of Zagreb Court of Arbitration. A lawsuit has been filed by the non-controlling interest shareholders against the Group since non-controlling shareholders could not exercise this put option. Non-controlling interest shareholders have claimed EUR 3.500 in order to compensate their loss due to not having exercised the put option and the declining share value of shares caused by the poor management. Subpoena related to the lawsuit has been submitted to the Group on March 5, 2012 and the first trial of the lawsuit was held on 12 July 2012, after the balance sheet date.

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

(d) Put options (continued):

Moje Delo options

Hürriyet, a subsidiary of the Group, has acquired a 55% share in Moje Delo d.o.o. (“Moje Delo”) in Slovenia, in 2007. The Group has granted a put option to the selling shareholders on the shares exercisable from January 2013 to October 2013 (6 months). The result of total consideration to be calculated cannot be less than EUR 1.000. If the outcome of the calculation were to be less than the specified amount, the Group would make a payment of EUR 1.000. Group has also call option right for the non-controlling shares on hand from the non-controlling shareholders which is effective from October 2013. 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 3.716 as of 30 September 2012 (31 December 2011: TRY 2.899) and classified in “Other short-term financial liabilities”.

TME options

The Company has no liabilities in relation to the disputed put option of USD 25.000 representing the non-controlling shares of 3,84% of TME shares, which was disclosed in the 31 December 2011 financial statements of Hürriyet, a subsidiary of the Group, and subject to appeal of arbitration before the Zurich Chamber of Commerce because the Company has been notified that the other party has sold the disputed GDR's to another entity as at 21 March 2012 and the other party has also withdrawn its appeal of arbitration (31 December 2011: TRY 47.223). The related transaction has an effect of TRY 21.734 of increase in the equity attributable to equity holders of the Parent Company and the related amount is recognized under equity in the financial statements as transactions of shareholders are considered as shareholder transactions in accordance with Paragraph 109 of IAS 1 “Presentation of Financial Statements”.

TME purchase of additional shares

The Group has acquired 6,98% shares corresponding to 3.490.691 Global Depository Certificates of Trader Media East Limited in consideration of USD 26.250 in accordance with the valuation report issued by an independent valuation company as of 7 March 2012. The related transaction has an effect of TRY 32.224 of decrease in the equity attributable to equity holders of the Parent Company and the related amount is recognized under equity in the financial statements as transactions of shareholders are considered as shareholder transactions in accordance with Paragraph 109 of IAS 1 “Presentation of Financial Statements”.

(e) Improvements at the Competition Authority:

Upon the Competitive Board's notification issued on 17 September 2009, Doğan Yayın Holding, Hürriyet, Doğan Gazetecilik, Bağımsız Gazetecilik 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 print 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.

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

(e) Improvements at the Competition Authority (Continued):

Based on the investigation undertaken by the Competition Authority as of 5 April 2011, Hürriyet, Doğan Gazetecilik and Bağımsız Gazetecilik are charged with an administrative penalty fee of TRY 3.805, TRY 2.316 and TRY 444, respectively. On the other hand, the Authority did not charge any administrative penalty for Doğan Daily News (a dormant company) and Doğan Yayın Holding, to avoid imposing multiple charges. The Group has provided a total of TRY 4.923 of provision in relation to the charges in the accompanying financial statements. The total amount consists of TRY 2.853 of provision for Hürriyet and TRY 2.070 of provision for Doğan Gazetecilik and Bağımsız Gazetecilik. For the annulment of this decision, a lawsuit has been filed before the council of state.

(f) Other:

Milpa:

The Land of Ömerli

The land owned by Milpa, a subsidiary of the Group, located in Kurtdoğan village, Pendik district, İstanbul province, classified as investment property in the consolidated financial statements, 144.266 m² of the land was removed from forestry land with a court decision taken in 2005. The Forestry Directorate appealed the decision at the 20th Chamber of the High Court and the objection was accepted on 24 June 2008 and these decisions (removing from forestry land) are sent to the Pendik Court of First Instance for re-evaluation. The Court reiterated its initial decision on 8 October 2009. The Ministry of Forestry appealed the Court's decision and the related case file was re-sent to the Civil Department No: 20 of the Court of Appeal and re-transferred to the Pendik Court of First Instance. Aforesaid Court follows the Supreme Court 20th Civil Chamber's reversal decision and has postponed the trial date to 6 September 2012 with the purpose of re-exploration and evaluation of Forestry Ministry's claims.

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

According to valuation company's appraisal report dated 13 January 2012 prepared based on Capital Markets Board's Communiqué Serial: VIII, No: 45, aforementioned real estate's sales value has been determined as TRY 51.480 (31 December 2011: TRY 51.480) because the related area is allocated as habitat and daily recreation land as it is stated in landscaping plan with scale of 1/100.000 done on 17 July 2009, lands with same size and same location in Anatolian side of İstanbul on which high quality projects can be developed are scarce, demand to the land has been increasing in recent years and 3rd Bridge Ringroad (North Marmara Motorway) will pass through the related area. These amounts are valuations made for the whole land, Milpa's proportion of the land is 54,79%.

In September 2012 ownership of the Ömerli Land of 18/2400 shares equivalent to 16.786,55 m² has been taken over for USD 671 (Equivalent to TRY 1.207) via "Assigned Agreement" to waived all rights and claims with agreement which dated 26.09.2001 "Agreement of the promise to sell real estate and building construction with floor/revenue shared for land share. After this operation, Company's shares on land have raised to %55,54. Whether any impairment or not will be determined in scope of the financial reporting process in 31.12.2012.

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

(f) Other (Continued):

Petrol Ofisi A.Ş.:

Under the agreement entered into with the Group (The “Company”, “Vendor”) and OMV (The “Buyer”) in regards to the share transfer of POAŞ on 22 December 2010, the Company may be required to assume some of the certain liabilities which may arise from the following conditions set out briefly subsequent to the share transfer:

“Except for any losses and/or tax payables of the Buyer and/or any Group companies arising from any claims made by any authorities in regards to events or conditions occurred subsequent to the closing date and any statements and warranties in regards to restricted property rights and Vendor conditions, each contract party agrees and commits to indemnify any losses, damages and liabilities (Losses) arising from the violation of any statements and warranties and assume any losses, damages and liabilities (Losses) of the contract party that is exposed to such breach within 3 years of time. The Vendor commits to pay an indemnity that will not exceed USD 175.000.000 (exact)– 54,14% of the related Losses and/or Tax payables- to the Buyer for any losses and/or tax payables of the Vendor and/or any Group companies arising from any restrictions of a Group company or any claims made by any authorities against a Group company in regards to events or conditions occurred subsequent to the closing date, except for any losses derived from negligence or any violations of statements and warranties in regards to restricted property rights and Vendor conditions. The related liability is terminated after the occurrence of other conditions unless the Buyer files an application in writing to the Vendor within 6 (six) weeks following the notification of the Authority’s definite and unappealable verdict to the Buyer/Group Company. Except for any claims based on unrecognized liabilities as of signing date derived prior to third party signatures, the Vendor shall not undertake any third party claims.”

As a result of POAŞ’s decision on making use of the tax base increase requirements set out in Law No: 6111, tax base increase amount attributable to 2008 and 2009 of the consideration made by POAŞ is assumed by the Group in proportion to the Group’s issued capital under the contract terms summarized above and TRY 12.432 was paid to OMV accordingly on 14 July 2011. The related amount is recognized as other expenses in the consolidated financial statements prepared for the period ended as of 31 December 2011.

As the result of POAŞ decided to benefit from the arbitrament related to tax liabilities in dispute under Law No: 6111, the tax penalty amount which belongs to year 2003 and paid by POAŞ, is referred to the Group by the share proportion owned by the Group at this date ,according to the agreement specified above. USD 2.012 equivalent of TRY 3.285, is paid to OMV on 29 June 2011.

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

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NOTE 16 - COMMITMENTS

a) Letters of guarantees and guarantee notes given

Collateral, pledges and mortgages "CPM" given by Parent Company, Doğan Holding, as of 30 September 2012 and 31 December 2011 are as follows:

	30 September 2012					31 December 2011				
	TRY Equivalent	TRY	USD	EUR	Other	TRY Equivalent	TRY	USD	EUR	Other
A CPM's given in the name of its own legal personality										
Guarantee ⁽¹⁾	500.000	127.339	7.398	154.864	2.789	135.093	111.380	7.717	3.332	2.575
Pledge ⁽²⁾	-	-	-	-	-	226.354	226.354	-	-	-
Mortgage ⁽³⁾	397.147	1.444	213.312	6.500	-	420.254	404.369	-	6.500	-
B CPM's given on behalf of the fully consolidated companies										
Guarantee ^{(1) (4)}	3.943.191	387.643	1.462.897	399.846	11.373	3.034.844	132.409	1.422.200	88.404	-
Pledge	-	-	-	-	-	-	-	-	-	-
Mortgage	-	-	-	-	-	-	-	-	-	-
C. CPM's given on 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 on behalf of third parties which are not in scope of B and C	-	-	-	-	-	-	-	-	-	-
iii) Total amount of CPM's given on behalf of third parties which are not in scope of C	-	-	-	-	-	-	-	-	-	-
Total	4.840.338					3.816.545				

(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 the details are explained in Note 8, 11,3% (226.354.060 (exact) shares) of Doğan Yayın Holding shares, 13,3% (73.200.000 (exact) shares) of Hürriyet shares, 49% (24.500.000 (exact) shares) of Kanal D shares, 67,3% (33.649.091 shares) of TME shares, 33% (6.996.000 exact) shares) of Boyabat Elektrik, 33,33% (15.000.000 (exact) shares) of Aslancık Elektrik shares, %100 (8.000 (exact) shares) of Akdeniz , %100 (68.700 (full) shares) of Galata Wind and %100 (141.500.000 (exact) shares) of Nakkaştepe Elektrik have been given as pledges to financial institutions due to Group's long term financial liabilities and have not been included to the above table.

(3) There is a mortgage amounting to TRY 340.681 given to financial institutions in return for credit received for Group's joint venture Aslancık Elektrik's hydro energy production facility which is planned to be located in Giresun's Doğankent district (31 December 2011: TRY 402.925). Besides, there is a mortgage amounting to TRY 16.449 over the tangible fixed assets of Group's subsidiary Hürriyet as of 30 September 2012 (31 December 2011: TRY 17.329).

(4) It is about long term project financing loan amounting to USD 750.000 which has been obtained qua joint and several guarantor with other shareholder groups (Note 4), within the scope of Boyabat Elektrik's hydroelectric power plant Project that is scheduled to be completed until the end of 2012. As of 30 September 2012, Boyabat Elektrik used USD 746.333 amounting loan portion provided (31 December 2011:USD 674.333). Doğan Holding has bail amounting to USD 40.788 given to credit institutions within the scope of Aslancık Elektrik's hydroelectric power plant construction that is planned to be completed in 2013 (31 December 2011: USD 24.354).

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.**SELECTED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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NOTE 16 - COMMITMENTS (Continued)***a) Letters of guarantees and guarantee notes given (Continued)***

Other CPM given by the Group to equity ratio is 0,0% as of 30 September 2012 (31 December 2011: 0,0%). The breakdown of letters of guarantees and guarantees notes given by the Group are as follows:

	30 September 2012		31 December 2011	
	Original foreign currency	TRY amounts	Original foreign currency	TRY amounts
Letters of guarantee – EUR	226.240	522.275	37.431	91.474
Letters of guarantee – TRY	129.787	129.787	114.529	114.529
Letters of guarantee – USD	9.346	16.680	14.099	26.632
Letters of guarantee – OTHER	2.789	999	2.575	995
Guarantee notes – TRY	25.778	25.788	204	204
Guarantee notes – EUR	779	1.844	25	61
Guarantee notes – USD	140.538	250.818	-	-
Total		948.181		233.895

Doğan TV, one of the subsidiaries of Doğan Yayın Holding, has given letters of guarantees amounting to EUR 72.000 to UEFA (Union Européenne de Football Association or Union of European Football Associations) in 2008 for broadcasting rights of UEFA Champions League, UEFA Super Cup and UEFA Cup games for the period 2009-2012.

As mentioned Note 15 ,as per the Amendment Agreement dated 31 October 2011, the Axel Springer Group has also requested two guarantee letters amounting to EUR 50.000 each in order to guarantee the liabilities of Doğan Holding under the "DTV Put Option I". Two guarantee letters amounting to EUR 50.000 were given by Doğan Holding as at 10 February 2012. In addition, a third guarantee letter amounting to EUR 50.000 in consideration of 34.183.593 shares were given in the same period to be used as of January 2015.

(b) Guarantees and mortgages given

The details of guarantees of Doğan Yayın Holding and its shareholders' given for the borrowings and trade payables of the Group companies and related parties as of 30 September 2012 and 31 December 2011 are as follows:

	30 September 2012		31 December 2011	
	Original foreign currency	TRY amounts	Original foreign currency	TRY amounts
Guarantees – EUR	327.670	756.426	54.280	132.649
Guarantees – USD	1.320.950	2.357.499	1.415.817	2.674.337
Guarantees – TRY	359.415	359.415	129.056	129.056
Guarantees – CHF	11.373	21.670	-	-
Mortgages – EUR	6.500	15.005	6.500	15.885
Mortgages – USD	213.312	380.698	6.500	15.885
Mortgages – TRY	1.444	1.444	404.369	404.369
Total		3.892.157		3.356.296

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.**SELECTED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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NOTE 16 - COMMITMENTS (Continued)**(c) Barter agreements**

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

As of 30 September 2012, the Group has a commitment for the publication of advertisements amounting to TRY 28.595 (2011: TRY 22.130) in exchange for purchasing goods and services and has an option to purchase goods and services amounting to TRY 20.777 (2011: TRY 18.567) in exchange of the goods or services sold.

NOTE 17 - OTHER ASSETS AND LIABILITIES

	30 September 2012	31 December 2011
Other current assets		
Blocked deposits ⁽¹⁾	242.394	79.564
Value Added Tax ("VAT") receivable	42.183	35.309
Prepaid expenses	27.878	21.322
Advances given	24.587	20.545
Prepaid taxes	18.992	8.640
Work advances	15.506	5.347
Personnel advances	14.638	13.894
Income accruals	6.623	4.687
Programme stocks	4.604	63.198
Tax receivables	-	515
Other	9.225	17.303
	406.630	270.324
Provision for impairment for programme stocks	(1.081)	(1.081)
Other provision for doubtful receivables	(748)	(833)
	404.801	268.410

	30 September 2012	31 December 2011
Other non-current assets		
Long term restricted deposits ⁽²⁾	231.171	132.425
Value Added Tax ("VAT") receivables	193.662	167.805
Advances given and prepayments ^{(3) (4) (5)}	33.532	62.657
Prepaid expenses	7.552	5.217
Deposits and guarantees given	122	22
Other	6.625	5.803
	472.664	373.929

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

SELECTED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2012

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NOTE 17 - OTHER ASSETS AND LIABILITIES (Continued)

- (1) As of 30 September 2012, Doğan Holding's time deposit amounting to USD 30.500(TRY:54.433) and USD 25.000(TRY:44.618) has been blocked to be guarantee for the loans used by Mozaik and Hürriyet (As of 31 December 2011, Doğan Holding's USD 25.000(TRY:47.223) and USD 15.000(29.728) were blocked to be guarantee for the loans used by Hürriyet and Mozaik, respectively.) As of 30 September 2012 Doğan Holding's time deposit amounting 70.000 USD(TRY 124.929) and 10.000 USD(TRY:17.847)has been blocked to be guarantee fort he loans used by TME and Mozaik and accounted under other current assets.Shor term time deposits of Akdeniz and Galata amounting TRY 11 and TRY 556 accounted under other current assets.
- (2) Within the scope of 28 February 2012 dated modification agreement signed between the Company and Commerz-Film GmbH and Hauptstadtsee 809. V V GmbH, time deposit amounting to EUR 100.000 has been blocked to be guarantee regarding Doğan TV Holding shares' purchase option (As of 31 December 2011, Dogan Holding's time deposit amounting to USD 70.000 has been blocked to be guarantee fort he loans used by TME.) (Note 8).Additionally,long term blocked deposits of Çelik Halat and Doğan Yayın Holding amounting TRY 304 and TRY 17 accounted under other non current assets.(31 December 2011,Çelik Halat TRY:202)
- (3) Advances given and prepayments amounting to TRY 20.416 (31 December 2011: TRY 31.980) consist of prepayments made by Doğan TV Holding, one of the subsidiaries of Doğan Yayın Holding, for UEFA (Union Européenne de Football Association or Union of European Football Associations) Champions League qualifying games and UEFA Cup qualifying games of certain Spor Toto Super League teams between 2008 and 2020. In accordance with the agreements, prepayments made for the related games will be refunded to Doğan TV Holding in the cancellation of games..
- (4) TRY 3.180 (31 December 2011: TRY 3.180) of the advances given and prepayments includes the expenses caused by the landowners and advances given to the landowners who passed their shares of the real estate Project in the land of Ömerli by Milpa which is a subsidiary of the Group for the part of the proceeds. %25 of the revenues of the project which Milpa is planning to develop, about the houses and offices will be committed and set-off to the landowners revenue-sharing or flat received from contractor for landownership by the proportion of their shares.
- (5) TRY 7.621 (31 December 2011: TRY 18.844) of advances and prepayments are advances given for Group's joint ventures Boyabat Elektrik and Aslancık Elektrik's fixed asset purchase.

Other current liabilities

	30 September 2012	31 December 2011
Provision for tax liability in dispute regarding 6111 law (Note 15)	-	264.484
Deferred revenue	42.918	45.909
Provision for unused vacation liability	32.448	33.351
Expense accruals	57.901	17.264
Tax base increase liability regarding 6111 law (Note 15)	-	9.405
Provision for broadcasted programmes	1.065	3.306
Arbitration Liability ⁽¹⁾	-	22.412
Other	6	36
	134.338	396.167

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NOTE 17 - OTHER ASSETS AND LIABILITIES (Continued)

Other non-current liabilities

	30 September 2012	31 December 2011
Provision for tax liability in dispute regarding 6111 law (Note 15)	-	391.076
Tax base increase liability regarding 6111 law (Note 15)	-	13.907
Deferred income	7.437	592
Other non-current liabilities	1	8
	7.438	405.583

- (1) Arbitration procedure regarding Doğan Holding’s subsidiary Dış Ticaret Bankası A.Ş.’s total 277.828.946.000 (exact) shares representing 62,6% of its capital that continues in the presence of Zurich Chamber of Commerce which is related to payment of tax debt to Fortisbank accrued in the period before the share transfer and emerged after the 4 July 2005 dated share transfer to Fortisbank was finalized against the Company. As of 31 December 2011, the Group was recorded the effect of TRY 22.412 into events after the balance sheet date and this amount has been followed in “other current liabilities” and “other operating expenses” accounts.

NOTE 18 - 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 30 September 2012 and 31 December 2011 are as follows:

	30 September 2012	31 December 2011
Limit on registered capital	4.000.000	4.000.000
Issued capital	2.450.000	2.450.000

There are no privileged shares of Doğan Holding.

The ultimate shareholder of Doğan Holding are Aydın Doğan and Doğan Family (Işıl Doğan, Arzuhan Yalçındağ, Vuslat Sabancı, Hanzade V. Doğan Boyner ve Y.Begümhan Doğan Faralyalı) and the shareholders of Holding and the historical values of shares in equity at 30 September 2012 and 31 December 2011 are as follows:

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

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NOTE 18 – EQUITY (Continued)

Shareholder	Share %	30 September 2012	Pay %	31 December 2011
Adilbey Holding A.Ş.	52,68	1.290.679	52,68	1.290.679
Doğan Family ⁽¹⁾	14,48	354.664	13,94	341.597
Other Shareholders (publicly traded on ISE) ⁽²⁾	32,84	804.657	33,38	817.724
Issued capital	100	2.450.000	100	2.450.000
Adjustment to issued capital		143.526		143.526
Total		2.593.526		2.593.526

(1) Doğan Family’s share has increased to 14,48% (TRY 354.664) as a result of purchasing 13.067.534 shares from ISE on 17 January 2012, 18 January 2012, 20 January 2012, 13 April 2012, 16 April 2012 and 30 April 2012.

(2) In accordance with the Capital Markets Board’s (the “CMB”) Resolution No: 21/655 issued on 23 July 2010, it is regarded that 31,15 % of the shares (31 December 2011: 32,46%) are outstanding as of 30 September 2012 based on the Central Registry Agency’s (“CRA”) records. 34,29% of Doğan Holding’s shares are publicly available.

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

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” in accordance with CMB Financial Reporting Standards, as of 30 September 2012 that amount is TRY 1.472.433 (31 December 2012: TRY 1.450.139). There is no restriction to add these reverses except first reserves to equity.

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NOTE 18 - EQUITY (Continued)

Capital Reserves and Retained Earnings

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 arising 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 /accumulated losses”.

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.

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

Listed companies of whose shares traded on the ISE, are required to distribute their dividends in accordance with the following criteria set out by the CMB.

Upon the CMB’s Resolution No: 02/51 issued on 27 January 2010, there is no minimum level of dividend distribution requirement for the listed companies at the stock exchange for profits arising from operations in 2009. In this respect, companies will distribute their profits under the scope of the requirements of the CMB’s Communiqué No. IV-27, their own articles of association and their own publicly disclosed 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.

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NOTE 18 - EQUITY (Continued)
Dividend Distribution (continued):

If the Company decides to distribute dividends regarding the decision of general assembly of public companies, the distribution of the relevant amount may be realized 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 are required to distribute the first amount in cash. . The Assembly Resolution issued on 9 January 2009 requires the disclosure of total amount of other reserves, which can be included in dividend and net profit after deducting legal accumulated losses in the notes to the publicly disclosed financial statements prepared in accordance with the requirements of Communiqué XI-No. 29.

At the ordinary general assembly of the of Doğan Holding at 27 June 2012, it is concluded that;

- Under the requirements of the CMB’s Communiqué Serial:XI, No.29, based on the audited consolidated financial statements prepared for the period 1 January 2011 – 31 December 2011 in accordance with IAS and IFRS, the Group’s “Net Loss for the Period” is calculated as TRY 1.091.033, considering its “current period tax expense”, “deferred tax expense” and “non-controlling interests”. Therefore, the Group has decided not to distribute any profits for the period 1 January 2011 – 31 December 2011 based on the CMB’s profit distribution requirements and the related matter would be submitted to the approval of the General Assembly.
- In 1 January 2011-31 December 2011 financial records kept under Turkish Commercial Code (“TCC”) and Tax Procedural Law, TRY 445.889 “profit for the period” has been detected; in accordance with TCC 466/1 article, “I. legal reserve” amounting to TRY 22.294 has been decided to be allocated over the “profit for the period” and remaining amount TRY 423.595 to be transferred to “extraordinary reserve”.

The CMB’s requires the disclosure of total amount of net profit remaining portion from retained earnings 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. The Company’s gross amount of resources that may be subject to the profit distribution based on the statutory records amounts to TRY 1.243.924.

The shareholders equity of Doğan Holding is as below:

	30 September 2012	31 December 2011
Share capital	2.450.000	2.450.000
Adjustment to share capital	143.526	143.526
Share premium	630	630
Increase in fair value of		
available for sale financial assets, net	29	(4.056)
Translation reserve	38.175	67.538
Restricted reserves assorted from profit	1. 472.433	1.450.139
- <i>Legal reserves</i>	150.033	127.739
- <i>Inflation adjustment differences to legal, extraordinary and other reserves, share premiums⁽¹⁾</i>	1.322.400	1.322.400
Retained earnings	(1. 101.883)	(311.595)
Net income/(loss) for the period	123.504	(757.144)
Total shareholders’ equity	3.126.414	3.039.038

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NOTE 18 - EQUITY (Continued)***Dividend Distribution (Continued)***

- (1) 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 including 116.315.847,814 units of Class A bearer shares with the nominal value of TRY 1 (exact) per share and 196.350.000 units of Class A registered shares with the nominal value of TRY 1 (exact) 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 (exact) and USD 694.583.000 (exact) of the nominal value of shares amounting to TRY 312.665.847,814 (exact). TRY 690.349.152,69 (exact) 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 Holding 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 TRY 782.702.250 (exact) and will not be subject to profit distribution.

NOTE 19- SALES AND COST OF SALES

	1 January- 30 September 2012	1 July- 30 September 2012	1 January- 30 September 2011	1 July- 30 September 2011
Domestic Sales	2.235.184	721.962	1.870.638	395.834
Foreign Sales	384.529	111.416	616.739	411.574
Sales returns	(270.491)	(94.219)	(313.541)	(104.623)
Sales discount	(52.159)	(6.662)	(100.603)	(28.915)
Net sales	2.297.063	732.497	2.073.233	673.870
Cost of sales (-)	(1.622.888)	(511.694)	(1.472.664)	(506.995)
Gross Profit	674.175	220.803	600.569	166.875

Sales income and cost of sales

The details of operating revenue for the interim periods ended 30 September 2012 and 2011 are disclosed in Note 5 - Segment Reporting.

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

	1 January- 30 September 2012	1 July- 30 September 2012	1 January- 30 September 2011	1 July- 30 September 2011
Selling, marketing and distribution expenses	(297.318)	(102.523)	(262.428)	(98.432)
General administrative expenses	(291.825)	(96.163)	(263.963)	(85.297)
Operating expenses	(589.143)	(198.686)	(526.391)	(183.729)

NOTE 21 - 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 30 September 2012 and 2011 are as follows:

	1 January- 30 September 2012	1 July - 30 September 2012	1 January- 30 September 2011	1 July - 30 September 2011
Personnel expenses	457.008	156.985	384.606	125.476
Cost of trade goods sold	549.831	163.731	509.233	235.347
General production overhead	256.759	71.318	212.711	37.940
Raw material and supplies	250.702	82.897	225.315	38.575
Depreciation expenses ^{(1) (2)}	165.466	60.354	162.537	55.008
Advertisement expenses	55.106	15.559	41.399	11.023
Rent expenses	53.734	19.552	44.860	19.859
Transportation, storage and travel expenses	47.424	16.153	47.554	13.373
Agency commission expenses	14.454	4.868	15.460	5.554
Consulting expenses	33.681	10.736	27.187	8.508
Expenses related to telecommunication services	33.605	12.332	59.302	20.144
Promotion expenses	18.391	3.939	21.047	6.241
Satellite usage fees	17.848	5.943	14.895	5.245
Radio and television supreme council	12.627	2.375	14.213	2.584
Communication expenses	9.186	2.683	7.764	2.492
Dealers and commission expenses	8.837	1.456	5.195	2.358
Repair and maintenance expenses	2.111	892	2.243	776
Miscellaneous tax expenses	6.411	1.658	7.406	3.651
Other	218.850	76.949	196.128	96.570
	2.212.031	710.380	1.999.055	690.724

(1) As of 30 September 2012, TRY 310 (30 June 2011: TRY 263) of depreciation and amortization expenses and redemption is reflected in stocks, TRY 23 amount is accounted under investment property.

(2) TRY 1.695 of depreciation and amortization expenses derived from the subsidiary shares of Bağımsız Gazeteciler and all Milliyet brand, royalties and internet domain names on 2 May 2011 is recognized under the discontinued operations account on 30 September 2011 financials. TRY 13.385 of depreciation and amortization expenses of television programme rights derived from the subsidiary and brand disposal of Işıl Televizyon Yayıncılık A.Ş. (Star TV) on 3 November 2011 is recognized under the discontinued operations account on 30 September 2011 financials.

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NOTE 22 - OTHER INCOME/EXPENSES

	1 January- 30 September 2012	1 July - 30 September 2012	1 January- 30 September 2011	1 July- 30 September 2011
Other income:				
Gain on sales of property, plant and equipment and intangible assets ⁽¹⁾	154.640	1.678	4.174	2.261
Annulment indemnity of put option agreement of Turner ⁽²⁾	45.767	-	-	-
Terminated provisions	10.832	3.839	15.200	4.834
Revenue from the corporate income tax return ⁽³⁾	19.785	19.785	-	-
Gain on sale of subsidiary shares	1.363	-	-	-
Rent income (Not 11)	3.087	1.508	2.486	409
Reversal of investment property impairment provision (Note 11)	1.961	789	-	-
Reversal of provision of tax penalties	-	-	4.977	(299)
Profit from sales of available for sale financial asset ⁽⁴⁾ (Note 7)	-	-	11.278	-
Other operating income	22.836	7.162	10.856	4.825
	259.821	34.761	48.971	12.030

(1) TRY 142.905 arises from 1 February 2012 dated sales of 4 real estates which are used as Hürriyet's registered Office and known as Hürriyet Media Towers. (Note 25)

(2) As of 31 December 2011, TRY 47.222 (USD 25.000) in the total advances received amount is the advance received for the joint venture agreement of Eko TV signed between Doğan TV Holding and Turner Broadcasting System International Inc. ("Turner") at 17 July 2007. Within the scope of this agreement, Doğan TV Holding has granted a call option to Turner for the 25% of the shares of Eko TV until the year 2017. In accordance with the amendment to the Law no: 6112 "Establishment and Broadcasting Services of Radio and Television Companies" published in the official Gazette on March 3, 2011, this option has become available and exercisable to Turner. As of 14 June 2012, Doğan TV Holding and Turner's joint venture agreement is terminated and the related option is not exercised. Therefore, USD 25.000 recognized as advances received in the 31 December 2011 financial statements (30 September 2012: TRY 45.767) is recognized under other operating income in the current period.

(1) Tax for Company's dividend income from OMV Petrol Ofisi A.Ş. amounting TRY 395.699 was paid in April 2011 after reservation. Opened legal case on İstanbul 5.th Tax court and numbered 2011/1229 based on exception in corporate tax of dividend income from related parties on tax court result in favor of the Company, dated 6 July 2012 and numbered 2012/1789. After the result of tax court decision, overcharged corporate tax amounting TRY 19.785 has been collected on 2 August 2012 from the Company

(2) Profit generates from the sales of its shares in Ray Sigorta, one of the available for sale financial assets of Group (Note 7).

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NOTE 22 - OTHER INCOME/EXPENSES (Continued)

	1 January- 30 September 2012	1 July - 30 September 2012	1 January- 30 September 2011	1 July- 30 September 2011
Other operating expenses:				
Expenses associated with withdrawal from 2. and 3. stages of Milpark Project ⁽¹⁾	(25.049)	-	-	-
Provision for doubtful receivables ⁽²⁾ (Note 9)	(17.971)	(3.857)	(19.783)	(13.685)
Provision for lawsuits	(9.595)	(1.467)	(5.119)	829
Loss on sale of property, plant and equipment	(15.236)	(4.272)	(3.360)	(865)
Other penalties and compensations paid	(5.444)	(1.776)	(2.873)	(2.767)
Tax base increase liability regarding 6111 law ^{(3) (4)}	-	-	(91.484)	(1.924)
Tax liability in dispute regarding 6111 law	-	-	(844.993)	-
Competition authority penalty ⁽⁴⁾	-	-	(4.031)	892
Provision for impairment of investment properties (Not 11,12)	(751)	216	(2.634)	(2.634)
Donations	(7.709)	(4.244)	(222)	(163)
Other operating expenses	(11.053)	(1.713)	(23.859)	(8.321)
	(92.808)	(17.113)	(998.448)	(28.638)

(1) Group's subsidiary Milpa has decided to abandon the construction of 2nd and 3rd stages of "Milpark Project" by taking into consideration of excess housing supply in the region and pricing risk and additional financial burden. As result of this decision, "Termination Agreement" dated on 16 May 2012 was signed between Milpa and the land owner ("Proprietor") by providing mutual agreement. In accordance with the "Termination Agreement", expenses amounting to TRY 25.049 which is related with independent sections transferred free of charge to the landowner are detailed below:

Construction cost which related with 2. And 3. Section (which was recognized in long term inventory account as of 31 December 2011)	18.096
Cost of 1.001 m2 independent section which is transferred to land owner	1.505
VAT cost of invoices performed for landowner	4.094
Dues, real estate expense related with transferred independent sections	1.310
Expense of fixed assets used in Milpark sales offices	44
	25.049

(2) Provision for doubtful trade receivables amounting to TRY 2.569 reclassified to discontinued operations

(3) TRY 4.027 of tax base increase expense is recognized under the discontinued operations as of 30 September 2011

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NOTE 23 – FINANCIAL INCOME

Financial income for the interim periods ended as at 30 September 2012 and 2011 are as follows:

Financial income:	1 January- 30 September 2012	1 July - 30 September 2012	1 January- 30 September 2011	1 July- 30 September 2011
Foreign exchange gain	213.469	55.467	690.067	364.002
Interest income				
- Interest income on bank deposits ⁽¹⁾	127.307	31.100	153.632	56.787
- Interest income on securities	1.119	288	124	3
Deferred finance expense and credit finance income due to purchase with maturity ⁽²⁾	46.382	(8.173)	28.291	5.991
Other interest and commissions	34.644	22.882	8.931	7.002
	422.921	101.564	881.045	434.385

(1) TRY 36 of interest income on bank deposits is recognized under discontinued operations at 30 September 2011.

(2) TRY 8.965 of finance income from purchase with maturity is recognized under discontinued operations at 30 September 2011.

NOTE 24 - FINANCIAL EXPENSE

Financial expense for the interim periods ended as at 30 September 2012 and 2011 is as follows:

Financial expense:	1 January- 30 September 2012	1 July - 30 September 2012	1 January- 30 September 2011	1 July- 30 September 2011
Foreign exchange loss	(256.513)	(45.202)	(531.897)	(284.846)
Interest expenses				
- Interest expense on bank borrowings ⁽¹⁾	(67.095)	(9.122)	(128.804)	(74.049)
- Tax liability in dispute finance expense regarding 6111 law (Note 15)	(19.418)	12.386	(20.227)	(20.227)
- Tax base increase finance expense regarding 6111 law (Note 15)	(697)	433	(719)	(719)
Deferred finance income and credit finance expense due to sales with maturity ⁽³⁾	(24.130)	5.905	(8.092)	1.458
Bank commission expenses	(13.211)	(13.211)	(10.927)	(10.927)
Other	(32.053)	(18.943)	(9.114)	(25)
	(413.117)	(67.754)	(709.780)	(389.335)

(1) TRY 1.627 of interest expense on bank borrowings is recognized under discontinued operations at 30 September 2011.

(2) As of 28 September 2012, The Group has paid the total remaining liability which has been paid in every two months from 1 June 2011 including the 9th installments. During the payment, with the recalculation made by the tax office earned interest deduction is netted-off against finance expenses during the year. TL 25.896 of interest is netted-off against tax liability in dispute finance expense and TL 915 is netted-off against tax base increase finance expense from current period interest expense

(3) TRY 4.098 deferred finance expense from purchases with maturity is recognized under discontinued operations at 30 September 2011

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

The information on the sales of subsidiaries and assets and the property, plant and equipment for which the sale decision is concluded by the Group as of 30 September 2012 are as follows.

a) Transfer of Shares of Subsidiaries and Asset Sale

Group has recognized under discontinued operations in the consolidated financial statements as of 30 September 2012 for comparative purposes due to the sale and transfer of shares of subsidiary and asset sale completed as of and for the interim period ended 30 September 2012 and for the year ended 31 December 2011. Net (loss) as of 30 September 2011 is TRY 70.774 and the details are as follows:

Sale of Bağımsız Gazeteciler and Milliyet Brand

The Group's filed application in relation to the transfer of all brands, royalties and internet domain names (milliyet.com.tr; milliyet.com; milliyetmlak.com.tr etc.) pertaining to the Milliyet Newspaper in consideration of USD 47.960 (TRY 73.595) plus VAT and its 1.289.996 shares of Bağımsız Gazeteciler Yayıncılık A.Ş. with a nominal value of TRY 100 each, comprising all brands, royalties and domain names pertaining to the Vatan Newspaper, in which it holds 99,99% participation amounting to TRY 129.000 of capital in consideration of USD 26.000 (TRY 39.897) to DK Gazetecilik ve Yayıncılık A.Ş., a joint venture company formed by Demirören and Karacan Group was approved by the Competition Authority on 28 April 2011 and the related transfer transactions were completed as of 2 May 2011 upon the satisfaction of all closing conditions.

The Group and DK Gazetecilik ve Yayıncılık A.Ş. have a mutual understanding of the following: transferring of all personnel related to all brands, royalties and internet domain names pertaining to the Milliyet Newspaper with all their rights; share transfer of Bağımsız Gazeteciler Yayıncılık A.Ş. as of the closing balance sheet date prepared on 2 May 2011 by offsetting any of its liabilities/encumbrances and any receivables; if such treatment is inapplicable, offsetting liabilities that cannot be recoverable from receivables against the share transfer consideration by the deduction of liabilities against the first installment payments, or if receivables are higher than liabilities, addition of difference amount between liabilities and receivables to the sale price; restricting the total liability that may arise from termination pay, retirement pay and leave of absence to 15% in the termination of employment contracts by DK Gazetecilik ve Yayıncılık A.Ş. and Bağımsız Gazeteciler Yayıncılık A.Ş. during the share transfer period. As a result of this mutual understanding, TRY 3.577 and TRY 1.765 of discount have been applied to the Milliyet Newspaper and Bağımsız Gazeteciler Yayıncılık A.Ş., respectively, over the sale price as the cost of termination of employment contracts. In addition, TRY 3.269 of discount has been applied over the sale price of Bağımsız Gazeteciler Yayıncılık A.Ş. as a liability amount that cannot be recoverable from receivables.

The payment schedule will include TRY 20.000 of advance payment at the sign date of the contract (20 April 2011), TRY 20.000 of cash payment no later than 31 May 2011 and 40 monthly installments of the remaining portion starting from 2012. For installment payments in 2012, 2013, 2014 and 2015, as of closing date, Libor+2,5, Libor+3,5, Libor+4,5 and Libor+5,5 interest rate will be applied, respectively. Libor interest rate is applied for 6 months and this rate is calculated every six months and is determined on a fix rate basis for the following six-month period.

TRY 20.000 of cash payment was made on 31 May 2011, less any discounts applied and closing balance sheet reconciliations mentioned above. The payment of the remaining USD 47.893 is received as 40 bonds and classified as USD 7.184 of short term bond and USD 40.709 of long term bond as of 2 May 2011.

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NOTE 25 - NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS(Continued)***Sale of Bağımsız Gazeteciler and Milliyet Brand (Continued):***

Operating results and sale proceeds of subsidiaries up until disposal of Bağımsız Gazeteciler and all brands, royalties and internet domain names of Milliyet are detailed as follows:

	30 April 2011
Sales	49.426
Cost of sales (-)	(37.149)
Gross profit	12.277
Marketing, sales and distribution expenses (-)	(18.293)
General administration expenses (-)	(6.265)
Other operating expenses (net)	(2.629)
Financial expenses (net)	(797)
Loss before income tax from discontinued operations	(15.707)
Tax (expense) from discontinued operations	(699)
Current period tax charge	-
Deferred tax charge	(699)
Net loss from discontinued operations prior to sale proceeds from the disposal of brand and subsidiary shares	(16.406)
Gain on sale of brand and subsidiary shares	16.589
Sales income tax (expense)	(6.541)
Discontinued operations	
Net (loss) from discontinued operations after income taxes	(6.358)

Cash used in discontinued operations:

	30 April 2011
Net cash used in operating activities	1.151
Net cash provided by/(used in) investing activities	251
Net cash provided by financing activities	(940)
Net cash outflow/(inflow)	462

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**NOTE 25 - NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED
OPERATIONS(Continued)****a) Transfer of Shares of Subsidiaries and Asset Sale (continued)****30 April 2011**

Amount received	93.655
Carrying value of net assets	(77.066)

Sales income	16.589
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Net Amount received from sale of brand and subsidiary shares

Cash and cash equivalents received	27.424
Notes receivables received	66.231
Less: Cash and cash equivalents of sold subsidiary	(187)

93.468

Net book value of assets disposed**30 April 2011**

Current assets	4.516
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Cash and cash equivalents	187
Trade receivables	1.848
Inventories	1.345
Other current assets	1.136

Non-current assets	102.598
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Property, plant and equipment (Note 12)	1.128
Intangible assets(Note 12)	51.952
Goodwill(Note 13)	47.757
Investment property(Note 11)	159
Other non-current assets	1.602

Current liabilities	15.300
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Financial borrowings	3.252
Trade payables	3.708
Other taxes and funds payables	3.547
Provisions	159
Other current liabilities	4.634

Non-current liabilities	14.747
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Other payables	6
Provision for employee termination benefits	11.092
Deferred tax liability	3.649

Net assets disposed of from scope of consolidation	77.066
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Gain from sale	16.589
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DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.**SELECTED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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NOTE 25 - NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS (Continued)***a) Transfer of Shares of Subsidiaries and Asset Sale (continued)******Star TV Sale:***

391.500.000 shares of Işıl Televizyon Yayıncılık A.Ş. (Star TV), one of the subsidiaries of the Group, with a nominal value of TRY 1 each, which represent 99,99% of capital amounting to TRY 391.500 were sold to Doğuş Yayın Grubu in consideration of USD 327.000. USD 151.000 of the total amount has been paid in cash at the date of the completion of share sale and transfer subsequent to obtaining the required legal permits and approvals. The remaining amount of USD 176.000 will be payable as of 2 November 2013. Annual interest rate applicable for the related amount is 3,58 % and interest amounts are accrued at the end of each month. Total interest accrual for the related receivable amounts to USD 12.777 of which USD 4.957 of this balance has been collected and USD 1.610 (TL 2.895) is recognized as accrual as of 30 September 2012.

All income and expenses attributable to Işıl Televizyon Yayıncılık A.Ş. relate to the Group by 3 November 2011. The Group also made its best effort to keep a balance in between the receivable and payable accounts associated with Işıl Televizyon Yayıncılık A.Ş. as of 3 November 2011. If these accounts are imbalanced, parties acknowledge and commit to a deduction of payable amounts that cannot be compensated through receivables against the share transfer price or an addition of receivable-payable difference balance to the sale price where receivables exceed payables. Therefore, sale price is revised accordingly and TRY 16.000 is added to the sale price. As of 30 September 2011, operating results and profit from the sale of shares of Işıl TV are presented below:

	30 September 2011
Sales	146.676
Cost of sales (-)	(179.417)
Gross loss	(32.741)
General administrative expenses (-)	(11.897)
Marketing, sales and distribution expenses (-)	(13.415)
Other income	590
Other expenses	(5.465)
Financial income	13.117
Financial expenses	(10.371)
Loss before income tax from discontinued operations	(60.182)
Tax (expense)/ income from discontinued operations	(4.234)
Current period tax charge	-
Deferred tax (charge)/ benefit	(4.234)
Net loss from discontinued operations prior to sale	
proceeds from the disposal of brand and subsidiary shares	(64.416)
Gain on sale of subsidiary shares	-
Sales income tax expense	-
Discontinued operations	-
Net income from discontinued operations	
after income taxes	(64.416)

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.**SELECTED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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NOTE 25 - NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS (Continued)***a) Transfer of Shares of Subsidiaries and Asset Sale (Continued)*****Cash used in discontinued operations:****30 September 2011**

Net cash provided by operating activities	18.185
Net cash provided by investing activities	(319)
Net cash used in financing activities	(13.000)
Net cash outflow	(706)

TRY 229.260 of subsidiary shares' sales income is recognized in the consolidated statement of income of the Group prepared as of 31 December 2011, from the sale and transfer of shares of Işıl Televizyon Yayıncılık A.Ş.'s as at 3 November 2011.

31 October 2011

Amount received	592.855
Carrying value of net assets	(363.595)
Sales income	229.260

Net Amount received from sale of brand and subsidiary shares

Cash and cash equivalents received	267.477
Notes receivables received	325.378
Less: Cash and cash equivalents of sold subsidiary	(1.120)
	591.735

Net book value of assets disposed**31 October 2011**

Current assets	53.030
Cash and cash equivalents	1.120
Trade receivables	39.094
Inventories	302
Other current assets	12.514
Non-current assets	361.845
Property, plant and equipment	7.649
Intangible assets	115.169
Goodwill	238.925
Other non-current assets	102
Current liabilities	40.721
Financial borrowings	13.520
Trade payables	14.925
Other taxes and funds payables	6.436
Provisions	-
Other current liabilities	5.840
Non-current liabilities	10.559
Provision for employment termination benefits	725
Deferred tax liability	9.834
Net assets disposed of from scope of consolidation	363.595
Gain from sale	229.260

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.**SELECTED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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NOTE 25 - NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS (Continued)**b) Assets held for sale:*****OOO Pronto Moscow***

As OOO Pronto Moscow ceases its operations in its printing facilities in 2011, the Group has decided to dispose of some of its fixed assets in its subsidiaries. These assets which are expected to be disposed of within twelve-month period are reclassified as assets held for sale and presented separately in the balance sheet.

Property, plant and equipment reclassified as asset held for sale are as follows:

Property, Plant and Equipment	31 December 2011
Cost	
Land and land improvements	1.424
Buildings	3.231
Machinery and equipment	13.599
Furniture and fixtures	94
Construction in progress	147
	18.495
Accumulated depreciation	
Land and land improvements	-
Buildings	(441)
Machinery and equipment	(11.716)
Furniture and fixtures	(94)
	(12.251)
Net book value as of 31 December 2011	6.244
Currency translation differences	(331)
Net book value of assets disposed of	5.913
Sales amount of property, plant and equipment ⁽¹⁾	7.130
Gain on sale of property, plant and equipment	1.217

⁽¹⁾ In April 2012, the Company's fixed assets classified as non-current asset held for sale as of 31 December 2011 were sold in consideration of RBL 121 million (TRY 7.130).

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.**SELECTED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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**NOTE 25 - NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED
OPERATIONS (Continued)*****Sale of Property, Plant and Equipment of Hürriyet***

Hürriyet, a subsidiary of the Group, sold the properties that are classified as “asset held for sale” that consist of 58.609,45 m2 land and buildings, including the building that has been used as company headquarters for 28 years (Hürriyet Media Towers) in Bağcılar, Istanbul to Nurol Gayrimenkul Yatırım Ortaklığı at February 2012 in consideration of USD 127.500 with maturity. The sales transaction has been completed as of 1 February 2012 and USD 17.500 of the sales amount was paid in cash at the date of the transfer of title. The remaining portion which will be payable through bonds amounting to USD 110.000 is payable in 32 equal installments as of 6 March 2012 having 3,5% interest rate for the remaining installment portions. As of 30 September 2012, the Company has made a total collection of USD 26.278 (USD 24.062 of principal amount and USD 2.116 of interest). As of 30 September 2012, interest accrual income amounts to USD 2.353. The remaining portion amounting to USD 85.938 and its interest accrual for the related period amounting to USD 237 are recognized as other short and long term receivables (Note 10).

Property, plant and equipment reclassified as asset held for sale is as follows:

Property, Plant and Equipment	31 December 2011
Cost	
Land and land improvements	10.476
Buildings	97.647
	108.123
Accumulated depreciation	
Land and land improvements	(318)
Buildings	(33.362)
	(33.680)
Net book value as of 31 December 2011	74.443
Change in net book value ⁽¹⁾	4.276
Net book value of assets disposed of	78.719
Sales amount of property, plant and equipment	221.624
Gain on sales of property, plant and equipment	142.905

- (1) As a result of the review of the non-current assets related with the building sold, it has been decided that net book value of fixed assets amounting to TRY 4.276 are in the scope of the related sale.

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NOTE 26- TAX ASSETS AND LIABILITIES

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

	30 September 2012	31 December 2011
Corporate and income taxes payable	9.480	38.858
Deferred tax liabilities, net	40.245	44.629
Total	49.725	83.487

Turkey

The Corporate Tax Law has been amended as of 13 June 2006 by Law No: 5520. The majority of the clauses of Law No: 5520 are effective as of 1 January 2006. Corporate tax rate for the fiscal year 2012 is 20% (2011: 20%) for Turkey. Corporate tax is payable at a rate of 20% on the total income of the Group after adjusting for certain disallowable expenses, corporate income tax exemptions (investment allowance, etc.) and corporate income tax deductions (such as research and development expenditures deduction). No further tax is payable unless there is dividend distribution.

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

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

Tax Law No: 5024 “Amendments in Tax Procedural Law, Income Tax Law and Corporate Tax Law” published in the Official Gazette on 30 December 2003 requires income tax and corporate taxpayers whose earnings are determined based on the balance sheet to prepare their statutory financial statements by adjusting the non-monetary assets and liabilities for the changes in the general purchasing power of the Turkish Lira effective from 1 January 2004. As a result of merger between POAŞ and Doğan Gazetecilik, the Group classified the merger premiums as offset account which is neither active nor passive because of legislation provisions related to financial statements which is subject to inflation adjustment for 2004 corporate income tax calculation and Tax Procedure Law No. 17 “Inflation Adjustment Application” published on 24 March 2005.

In accordance with the provisions of the afore-mentioned Law provisions, in order to apply inflation adjustment, the cumulative inflation rate (TURKSTAT WPI) over the last 36 months and 12 months must exceed 100% and 10%, respectively. Inflation adjustment has not been applied as the related threshold has not been met as of 2005.

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NOTE 26 - TAX ASSETS AND LIABILITIES (Continued)

Turkey (Continued)

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

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

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

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

As of 31 December 2011, the Company has offset its financial losses attributable to the calculation of offsetting of tax asset against deductible financial losses or current tax provision in accordance with the above-mentioned principles.

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

Exemption for participation in subsidiaries

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

Issued premiums exemption

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

Exemption for participation into foreign subsidiaries

For companies participating in 10% or more of the capital of a non-resident limited liability or joint stock company, (except for those whose principal activity is financial leasing or investment property) for at least one year until the date of the income is generated and transferred to Turkey until the date of the filing of the corporate income tax return of the fiscal year in which the income is generated is exempt from corporation tax subject to those subsidiaries being subject to corporate income tax, or alike, in their country of legal residence or business centre at the rate of at least 15% (minimum corporate income tax applicable in Turkey for those whose principal activity is finance assurance or insurance).

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NOTE 26 - TAX ASSETS AND LIABILITIES (Continued)***Turkey (Continued)******Exemption for sale of participation shares and property***

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

Russian Federation

The corporate tax rate effective in the Russian Federation is 20% (2011: 20%).

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

According to the Russian Federation's tax legislation, financial losses can be carried forward for 10 years to be deducted from future taxable income. Restriction on the deductible financial losses has been revoked as of 2007. Maximum amount that can be deducted in any year is limited to 30% of the taxable income (2011:30%). Rights related to tax losses that have not been utilized in the related years are expired.

Tax can be refunded in practice; however, refund is generally available following the outcome of legal procedures. Consolidated tax reporting or tax payment of parent companies or subsidiaries is not allowed. In general, dividend payments that are paid to foreign shareholders are subject to 15% withholding tax. Based on bilateral tax agreements, withholding tax rate can be decreased.

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

The tax rates at 30 September 2012 applicable in the foreign countries, where the significant part of the Group's operations are performed, are as follows:

<u>Country</u>	<u>Tax rates(%)</u>	<u>Country</u>	<u>Tax rates(%)</u>
Germany ⁽¹⁾	28,0	Ukraine ⁽²⁾	21,0
Romania	16,0	Hungary ⁽³⁾	19,0
England	28,0	Slovenia	20,0
Croatia	20,0	Belarus ⁽⁴⁾	18,0
Kazakhstan	20,0	The Netherlands ⁽⁵⁾	25,0

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

(2) Tax rate decreased from 23% to 21% as of 1 January 2012.

(3) Tax rate is 10% for the tax base up to initial 500 million Hungarian Forint, 19% for over 500 million Hungarian Forint.

(4) From 1 January 2012 the tax rate decreased from 24% to 18%.

(5) The first part of the 20% of the base value of up to EUR 200.000, the excess is taxed at the rate of 25%.

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NOTE 26- TAX ASSETS AND LIABILITIES (Continued)***Deferred taxes***

The Group recognises deferred tax assets and liabilities based upon temporary differences arising between their financial statements as reported under the CMB's Financial Reporting Standards and their statutory tax financial statements. These differences usually result in the recognition of revenue and expenses in different reporting periods for the CMB's Financial Reporting Standards and tax purposes.

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

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

The composition of cumulative temporary differences and the related deferred tax assets and liabilities in respect of items for which deferred tax has been provided at 30 September 2012 and 31 December 2011 using the enacted tax rates is as follows:

	Cumulative temporary differences		Deferred tax assets / (liabilities)	
	30 September 2012	31 December 2011	30 September 2012	31 December 2011
Differences between the tax base and carrying value of property, plant and equipment and intangible assets	96.629	96.487	19.326	17.628
Carry forward tax losses	90.622	44.915	18.124	9.290
Provision for doubtful receivables	52.830	31.662	10.126	8.104
Provision for employment termination benefits	53.272	49.311	10.654	9.884
Derivative financial liabilities	3.551	6.610	710	1.322
DSİ cost of water usage rights' accrual	35.869	27.774	7.174	5.555
Other	121.752	133.664	24.867	27.969
Deferred tax assets			90.981	79.752
Differences between the tax base and carrying value of property, plant and equipment and intangible assets	(621.035)	(637.574)	(127.032)	(122.178)
Derivative financial assets	(2.961)	(4.640)	(592)	(928)
Other	(18.408)	(6.817)	(3.602)	(1.275)
Deferred tax liabilities			(131.226)	(124.381)
Deferred tax liabilities, net			(40.245)	(44.629)

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

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NOTE 26 - TAX ASSETS AND LIABILITIES (Continued)

The Group recognised deferred tax assets over TRY 90.622 of carry forward tax losses in the consolidated financial statements prepared in accordance with the CMB's Financial Reporting Standards as at 30 September 2012 (31 December 2011: TRY 44.915). As of 30 September 2012 and 31 December 2011, the maturity analysis of carry forward tax losses is as follows:

	30 September 2012⁽¹⁾	31 December 2011
2012	1.741	706
2013	1.251	1.231
2014	25.710	21.780
2015	19.037	21.198
2016 and after	42.883	-
	90.622	44.915

- (1) Regarding the period, amount of accumulated past year financial losses according to the latest reducible years is presented suitably to the scope of Law No. 6111.

Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized. As of 30 September 2012, the Group does not recognise deferred tax from carry forward tax losses amounted to TRY 1.211.552 (31 December 2011: TRY 1.150.784).

Movements for net deferred taxes for the periods ended at 30 September 2012 and 2011 are as follows:

	2012	2011
1 January	(44.629)	(31.099)
Deferred tax effect of financial assets fair value increase	(1.162)	(1.553)
Current year (expense)/income	(1.087)	(25.163)
Purchase of subsidiary	4.155	-
Discontinued operation current period charge	-	(4.933)
Currency translation differences	2.460	(14.610)
Subsidiary disposal	16	3.302
Other	2	510
30 September	(40.245)	(73.546)

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NOTE 26 - TAX ASSETS AND LIABILITIES (Continued)

The taxes on income reflected to the consolidated income statement for the periods ended at 30 September 2012 and 2011 are summarized below:

	1 January- 30 September 2012	1 July - 30 September 2012	1 January- 30 September 2011	1 July- 30 September 2011
Current	(72.579)	(9.187)	(161.785)	(59.652)
Deferred	(1.087)	(9.174)	(25.163)	1.036
Total tax	(73.666)	(18.631)	(186.948)	(58.616)

The reconciliation of the taxation on income in the consolidated income statement for interim periods ended 30 September 2012 and 2011 and the tax calculated at the corporate tax rate based on the income before minority interests and taxation on income are as follows:

	30 September 2012	30 September 2011
Profit before taxation from continued operations	261.849	(704.034)
Tax calculated at 20% tax rate	(52.370)	140.807
Tax liability in dispute and tax base increase liability regarding 6111	(6.728)	(191.660)
Carry forward losses utilized	17.458	9.135
Expenses not deductible for tax purposes	-	-
Income not subject to tax	46.743	6.204
Expense not subject to tax	(31.032)	(43.456)
Reversal of previous year losses from which deferred tax was calculated previously	(5.894)	(31.641)
Tax losses for which no deferred income tax asset was recognized	(40.015)	(55.309)
Subsidiary disposals	(3.589)	-
Adjustment effects	-	-
Withholding tax related to the foreign country operations	(2.550)	(6.765)
Difference due to the different tax rates applicable in different countries	(2.461)	(3.349)
Other	6.772	(10.914)
Tax expense	(73.666)	(186.948)

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NOTE 27 - RELATED PARTY DISCLOSURES

For the purpose of these consolidated financial statements, related parties are referred to as legal entities in which Doğan Holding directly or indirectly has participation, including any entities under common control; real persons and/or legal entities that have direct or indirect individual or joint control over the company and their close family members (relatives up to second-degree) and legal entities having direct or indirect individual or joint control by them and legal entities having significant effect over the Company or their key management personnel; Company's affiliates, subsidiaries and members of the Board of Directors, key management personnel and their close family members (relatives up to second-degree) and real persons and/or legal entities that are directly or indirectly controlled individually or jointly. As of the balance sheet date, the details of due to/from related parties and related party transactions for the periods ended as of 30 September 2012 and 31 December 2011 are summarized as below:

i) Amounts due from and due to related parties:**Current trade receivables - Due from related parties:**

	30 September 2012	31 December 2011
Medyanet İletişim Reklam		
Pazarlama ve Turizm A.Ş. ("Medyanet") (1)	6.413	1.291
D Market Elektronik Hizmetler ve Ticaret A.Ş. ("D Market")	183	1.246
Doğan Portal ve Elektronik Ticaret A.Ş.	954	58
Delüks Elektronik Hizmetler ve Tic. A.Ş.	274	-
D Finans İnternet Bilgi Hizmetleri Tic A.Ş.	2.288	-
Doğan Elektronik Turizm Satış Pazarlama Hiz. ve Yay. A.Ş.	384	-
D Elektronik Şans Oyunları ve		
Yayıncılık A.Ş. ("D Elektronik Şans Oyunları")	29	1.117
Other	881	799
	11.406	4.511

(1) The receivables of the Group from Medyanet are related to the sales of advertisement.

Current non-trade receivables - Due from related parties:

	30 September 2012	31 December 2011
Gümüştaş Madencilik ve Ticaret A.Ş.	3.438	3.702
	3.438	3.702

Current trade payables - Due to related parties:

	30 September 2012	31 December 2011
Ortadoğu Otomotiv Ticaret A.Ş.	18.602	-
Doğanlar Sigorta Aracılık Hizmetleri A.Ş.	85	-
Other	734	246
	19.421	246

Long term trade payables - Due to related parties:

	30 September 2012	31 December 2011
Ortadoğu Otomotiv (1)	10.596	-

1) Debt arise from the purchase of land.

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NOTE 27 - RELATED PARTY DISCLOSURES (Continued)**ii) Transactions with related parties:**

<u>Service/ product purchases</u>	1 January- 30 September 2012	1 July - 30 September 2012	1 January- 30 September 2011	1 July- 30 September 2011
Service and product purchases	2.578	291	6.084	3.020
	2.578	291	6.084	3.020
<u>Service and product sales:</u>				
Service and product sales	1.293	536	14.411	2.871
<u>Financial income and expense</u>				
Financial income	43	(77)	94	-
Financial expense	-	-	-	-
	43	(77)	(94)	-
<u>Purchases of property, plant and equipment and intangible assets:</u>				
D-Yapı İnşaat Sanayi ve Ticaret A.Ş.	490	-	-	-
Medyanet A.Ş.	-	-	20	-
Dmarket	46	-	109	109
Diğer	1	-	-	-
		-	129	129
<u>Sales of property, plant and equipment and intangible assets:</u>				
Medyanet A.Ş.	-	-	(74)	-
	-	-	(74)	-

Benefits provided to board members and key management personnel:

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

	1 January- 30 September 2012	1 July - 30 September 2012	1 January- 30 September 2011	1 July- 30 September. 2011
Salaries and other short term benefits	8.598	2.876	4.643	1775
Post-employment benefits	-	-	-	-
Other long term benefits	-	-	-	-
Termination benefits	-	-	-	-
Share based payments	-	-	-	-
Total	8.598	2.876	4.643	1.775

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NOTE 28 - FINANCIAL RISK MANAGEMENT

Financial instruments and financial risk management

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

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

a) Market Risk

a.1) Foreign currency risk

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

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

	30 September 2012	31 December 2011
Foreign currency assets	1.180.068	3.448.658
Foreign currency liabilities	(2.688.718)	(3.043.140)
Net asset position of off-balance sheet derivatives	82.291	72.460
Net foreign currency position	(1.426.359)	477.978

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NOTE 28 - FINANCIAL RISK MANAGEMENT (Continued)

Net foreign currency position

Below table summarizes the Group's foreign currency position risk as of 30 September 2012 and 31 December 2011. The carrying amount of foreign currency denominated assets and liabilities are as follows:

30 September 2012

	TRY Equivalent	USD	Euro	Other
1. Trade Receivables	294.148	67.166	53.958	173.024
2a. Monetary Financial Assets (Cash, Banks included)	429.967	325.640	45.845	58.482
2b. Non-Monetary Financial Assets	-	-	-	-
3. Other	3.900	3.521	379	-
4. Current Assets (1+2+3)	728.015	396.327	100.182	231.506
5. Trade Receivables	7.993	4.145	1.777	2.071
6a. Monetary Financial Assets	436.762	436.328	36	398
6b. Non-Monetary Financial Assets	69	-	69	-
7. Other	7.229	226	7.003	-
8. Non-Current Assets (5+6+7)	452.053	440.699	8.885	2.469
9. Total Assets (4+8)	1.180.068	837.026	109.067	233.975
10. Trade Payables	77.951	34.828	33.532	9591
11. Financial Liabilities	908.716	713.927	176.050	18.739
12a. Other Monetary Financial Liabilities	51.058	5.267	6.534	39.257
12b. Other Non-Monetary Financial Liabilities	106	-	106	-
13. Current Liabilities (10+11+12)	1.037.831	754.022	216.222	67.587.
14. Trade Payables	10.596	10.596	-	-
15. Financial Liabilities	1.637.278	1.367.849	264.210	5.219
16a. Other Monetary Financial Liabilities	76	30	-	46
16b. Other Non-Monetary Financial Liabilities	2.937	-	2.937	-
17. Non-Current Liabilities (14+15+16)	1.650.887	1.378.475	267.147	5.265
18. Total Liabilities (13+17)	2.688.718	2.132.497	483.369	72.852
19 Net asset / liability position of Off-balance sheet derivatives (19a-19b)	82.291	38.781	43.510	-
19a. Off-balance sheet foreign currency derivative assets	146.431	89.075	57.356	-
19b. Off-balance sheet foreign currency derivative liabilities	64.140	50.294	13.846	-
20. Net foreign currency asset liability position (9-18+19)	(1.426.359)	(1.256.690)	(330.792)	161.123
21. Net foreign currency asset / liability position of monetary items (1+2a+5+6a-10-11-12a-14-15-16a)	(1.516.805)	(1.299.218)	(378.710)	161.123
22. Fair value of foreign currency hedged financial assets	-	-	-	-
23. Exports	97.344	-	-	-
24. Imports	313.301	-	-	-

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NOTE 28 - FINANCIAL RISK MANAGEMENT (Continued)

31 December 2011

	TRY Equivalent	USD	Euro	Other
1. Trade Receivables	127.559	80.740	34.386	12.433
2a. Monetary Financial Assets (Cash, Banks included)	3.102.051	2.181.226	883.935	36.890
2b. Non-Monetary Financial Assets	-	-	-	-
3. Other	6.660	72	6.588	-
4. Current Assets (1+2+3)	3.236.270	2.262.038	924.909	49.323
5. Trade Receivables	3.702	3.702	-	-
6a. Monetary Financial Assets	199.463	199.391	15	57
6b. Non-Monetary Financial Assets	-	-	-	-
7. Other	9.223	339	8.884	-
8. Non-Current Assets (5+6+7)	212.388	203.432	8.899	57
9. Total Assets (4+8)	3.448.658	2.465.470	933.808	49.380
10. Trade Payables	205.828	67.051	127.531	11.246
11. Financial Liabilities	761.143	612.494	128.176	20.473
12a. Other Monetary Financial Liabilities	91.752	53.338	2.222	36.192
12b. Other Non-Monetary Financial Liabilities	7.931	6.576	1.355	-
13. Current Liabilities (10+11+12)	1.066.654	739.459	259.284	67.911
14. Trade Payables	-	-	-	-
15. Financial Liabilities	1.905.858	1.593.891	294.646	17.321
16a. Other Monetary Financial Liabilities	70.628	63.772	6.809	47
16b. Other Non-Monetary Financial Liabilities	-	-	-	-
17. Non-Current Liabilities (14+15+16)	1.976.486	1.657.663	301.455	17.368
18. Total Liabilities (13+17)	3.043.140	2.397.122	560.739	85.279
19. Net asset / liability position of Off-balance sheet derivatives (19a-19b)	72.460	59.290	13.212	(42)
19.a Off-balance sheet foreign currency derivative assets	90.943	63.068	27.875	-
19b. Off-balance sheet foreign currency derivative liabilities	18.483	3.778	14.663	42
20. Net foreign currency asset liability position (9-18+19)	477.978	127.638	386.281	(35.941)
21. Net foreign currency asset / liability position of monetary items (1+2a+5+6a-10-11-12a-14-15-16a)	397.566	74.513	358.952	(35.899)
22. Fair value of foreign currency hedged financial assets	-	-	-	-
23. Exports	127.966	-	-	-
24. Imports	494.182	-	-	-

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NOTE 28 - FINANCIAL RISK MANAGEMENT (Continued)

As of 30 September 2012 and 31 December 2011 foreign currency denominated asset and liability balances were converted with the following exchange rates; TRY 1,7847 = USD 1 and TRY 2,3085 = EUR 1 (2011: TRY 1,8889 = USD 1 and TRY 2,4438 = EUR 1)

30 September 2012

	Income/Loss	
	Appreciation of foreign currency	Depreciation of foreign currency
	If USD appreciated against TRY by 10%	
1- USD net asset/(liability)	(125.669)	125.669
2- Part of hedged from USD risk (-)	-	-
3- - USD net effect-gain/(loss) (1+2)	(125.669)	125.669
	If EUR appreciated against TRY by 10%	
4- Euro net asset/(liability)	(33.079)	33.079
5- Part of hedged from EUR risk (-)	-	-
6- EUR net effect-gain/(loss) (4+5)	(33.079)	33.079
	If other foreign currency appreciated against TRY by 10%	
7- Other foreign currency net asset/(liability)	16.112	(16.112)
8- Part of hedged other foreign currency risk (-)	-	-
9- Other foreign currency net effect-gain/(loss) (7+8)	16.112	(16.112)
Total (3+6+9)	(142.636)	142.636

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NOTE 28 - FINANCIAL RISK MANAGEMENT (Continued)**31 December 2011**

	Income/Loss	
	Appreciation of foreign currency	Depreciation of foreign currency
If USD appreciated against TRY by 10%		
1- USD net asset/(liability)	12.764	(12.764)
2- Part of hedged from USD risk (-)	-	-
3- USD net effect-gain/(loss) (1+2)	12.764	(12.764)
If EUR appreciated against TRY by % 10		
4- EUR net asset/(liability)	38.628	(38.628)
5- Part of hedged from EUR risk (-)	-	-
6- - EUR net effect-gain/(loss) (4+5)	38.628	(38.628)
If other foreign currency appreciated against TRY by 10%		
7- Other foreign currency net asset/(liability)	(3.594)	3.594
8- Part of hedged other foreign currency risk (-)	-	-
9- Other foreign currency net effect-gain/(loss) (7+8)	(3.594)	3.594
Total (3+6+9)	47.798	(47.798)

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.

Borrowings issued at floating rates expose the Group to cash flow interest rate risk. Borrowings issued at fixed rate expose the Group to fair value interest rate risk. As of 30 September 2012 and 31 December 2011, the Group's borrowings at floating rates are predominantly denominated in US Dollars and Euros.

At 30 September 2012, if interest rates on USD denominated borrowings had been higher/lower by 100 basis points with all other variables held constant, loss before income taxes would have been TRY 7.527 higher/lower, mainly as a result of high interest expense on floating rate borrowings.

At 30 September 2012, if interest rates on Euro denominated borrowings had been higher/lower 100 basis points with all other variables held constant, loss before income taxes would have been TRY 792 higher/lower, mainly as a result of high interest expense on floating rate borrowings.

- Other

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

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NOTE 28 - FINANCIAL RISK MANAGEMENT (Continued)

At 30 September 2012, if interest rates on US dollar denominated borrowings had been higher/lower by 100 basis points with all other variables held constant, loss before income taxes would have been TRY 12.682 higher/lower, mainly as a result of high interest expense on floating rate borrowings.

At 30 September 2012, if interest rates on Euro denominated borrowings had been higher/lower 100 basis points with all other variables held constant, loss before income taxes would have been TRY 2.798 higher/lower, mainly as a result of high interest expense on floating rate borrowings.

At 30 September 2012, if interest rates on TRY dollar denominated borrowings had been higher/lower by 100 basis points with all other variables held constant, loss before income taxes would have been TRY 71 higher/lower, mainly as a result of high interest expense on floating rate borrowings.

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

	30 September 2012	31 December 2011
Financial instruments with fixed rate		
Financial assets		
- Banks (Note 6)	1.951.858	3.292.201
- Financial investments (Note 7)	198.907	191.672
Financial liabilities (Note 8)	884.875	860.160
Financial instruments with floating rate		
Financial liabilities (Note 8)	2.123.294	1.697.922

b) Funding risk

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

c) Credit risk

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

- Media

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

- 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.

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NOTE 28 - FINANCIAL RISK MANAGEMENT (Continued)

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

	30 September 2012			31 December 2011		
	USD	EUR	TRY	USD	EUR	TRY
Assets						
Cash and cash equivalents	0,10-6	0,25-6,75	3-9,5	0,5-6,05	1,-6,05	5,75-12,7
Financial investments	4,44-5,35	-	11,52	1-6	-	9,37
Liabilities						
Financial Liabilities	2,65-6,82	1,52-7,35	5-13,5	2,64-7,00	2,52-9,69	12,25-15,50

The distribution of sensitivity to interest rates about the period for repricing of financial assets and liabilities is as follows:

30 September 2012	Up to 3 months	3 months- 1 year	1-5 years	More than 5 years	Free of interest	Total
Assets						
Cash and cash equivalents(Note 6)	1.951.858	-	-	-	235.077	2.184.935
Financial investments (Note 7)	-	-	198.907	-	6.392	205.299
Total	1.951.858	-	198.907	-	241.469	2.390.234
Liabilities						
Financial liabilities (Note 8) ⁽¹⁾	-	1.230.495	1.777.674	-	-	3.008.169
Total	-	1.230.495	1.777.674	-	-	3.008.169
31 December 2011	Up to 3 months	3 months- 1 year	1-5 years	More than 5 years	Free of interest	Total
Assets						
Cash and cash equivalents(Note 6)	3.292.201	-	-	-	176.285	3.468.486
Financial investments(Note 7)	-	-	191.672	-	5.730	197.402
Total	3.292.201	-	191.672	-	182.015	3.665.888
Liabilities						
Financial liabilities(Note 8) ⁽¹⁾	-	934.850	1.623.232	-	-	2.558.082
Total	-	934.850	1.623.232	-	-	2.558.082

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

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NOTE 28 - FINANCIAL RISK MANAGEMENT (Continued)

The Group's credit risk of financial instruments as of 30 September 2012 is as follows:

	<u>Trade receivables</u>		<u>Other receivables</u>		<u>Cash and cash</u>
	<u>Related party</u>	<u>Other</u>	<u>Related party</u>	<u>Other</u>	<u>equivalents</u>
Maximum net credit risk as of balance sheet date	11.406	872.241	3.438	558.471	2.181.651
- The part of maximum risk under guarantee with collateral	-	215.388	-	314.189	-
A. Net book value of financial assets that are past due /impaired	11.406	642.190	3.438	558.471	2.181.651
- Guaranteed amount by collateral	-	188.753	-	314.189	
B. Book value of restructured otherwise accepted as past due and impaired financial assets	-	-	-	-	-
C. Net book value of past due but not impaired assets (Note 9)	-	230.051	-	-	-
- Guaranteed amount by collateral (Note 9)	-	26.635	-	-	-
D. Impaired asset net book value	-	-	-	-	-
- Past due (gross amount) (Note 9)	-	189.546	-	1.420	-
- Impairment (-)(Note 9)	-	(189.546)	-	(1.420)	-
- Net value collateralized or guaranteed part of net value	-	-	-	-	-
- Not over due (gross amount)	-	-	-	-	-
- Impairment (-)	-	-	-	-	-
- Net value collateralized or guaranteed part of net value	-	-	-	-	-
E. Off-balance sheet items bearing credit risk	-	-	-	-	-

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NOTE 28 - FINANCIAL RISK MANAGEMENT (Continued)

The Group's credit risk of financial instruments as of 31 December 2011 is as follows:

	<u>Trade receivables</u>		<u>Other receivables</u>		<u>Cash and cash equivalents</u>
	<u>Related party</u>	<u>Other</u>	<u>Related party</u>	<u>Other</u>	
Maximum net credit risk as of balance sheet date	4.511	813.179	3.702	434.707	3.464.869
- The part of maximum risk under guarantee with collateral	-	197.388	-	332.446	-
A. Net book value of financial assets that are past due /impaired	4.229	613.027	3.702	434.707	3.464.869
- Guaranteed amount by collateral	-	177.603	-	332.446	-
B. Book value of restructured otherwise accepted as past due and impaired financial assets	-	-	-	-	-
C. Net book value of past due but not impaired assets (Note 9)	282	200.152	-	-	-
- Guaranteed amount by collateral (Note 9)	-	19.785	-	-	-
D. Impaired asset net book value	-	-	-	-	-
- Past due (gross amount) (Note 9)	-	179.391	-	1.505	-
- Impairment (-)(Note 9)	-	(179.391)	-	(1.505)	-
- Net value collateralized or guaranteed part of net value	-	-	-	-	-
- Not over due (gross amount)	-	-	-	-	-
- Impairment (-)	-	-	-	-	-
- Net value collateralized or guaranteed part of net value	-	-	-	-	-
E. Off-balance sheet items bearing credit risk	-	-	-	-	-

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NOTE 28 - 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:

	30 September 2012		31 December 2011	
	Related party	Other receivables	Related party	Other receivables
0-1 months overdue	-	95.450	-	77.806
1-3 months overdue	-	82.526	282	55.292
3-12 months overdue	-	41.865	-	55.952
1-5 years overdue	-	10.210	-	11.102
More than 5 years	-	-	-	-
Total	-	230.051	282	200.152
Guaranteed amount by collateral				
Media	-	23.156	-	16.410
Retail	-	-	-	-
Other	-	3.479	-	3.375
Total	-	26.635	-	19.785

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.

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

SELECTED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2012

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

NOTE 28 - FINANCIAL RISK MANAGEMENT (Continued)

30 September 2012	Carrying value	Total cash outflow to contract	Less than 3 months	3-12 months	1-5 years	More than 5 years
Non-derivative financial liabilities						
Bank borrowings (Note 8)	3.008.169	3.322.273	370.873	920.021	1.575.576	455.803
Trade payables (Note 9)	366.783	376.738	334.006	42.732	-	-
Other financial liabilities	476.372	492.556	38.433	146.664	307.659	-
Other liabilities	141.776	195.453	74.260	110.231	10.962	-
Due to related parties (Note 27)	30.017	32.833	17.224	4.745	10.864	-
	4.023.117	4.419.853	834.796	1.224.193	1.905.061	455.803
Derivative financial liabilities						
Derivative cash inflow	2.961	146.431	79.702	14.841	51.888	-
Derivative cash outflow	(3.551)	(64.140)	(4.683)	(1.998)	(57.459)	-
Derivative cash inflow/outflow, net (Note 7)	(590)	82.191	75.019	12.843	(5.571)	-
31 December 2011	Carrying value	Total cash outflow to contract	Less than 3 months	3-12 months	1-5 years	More than 5 years
Non-derivative financial liabilities						
Bank borrowings (Note 8)	2.558.082	2.742.482	418.002	795.619	1.283.482	245.379
Trade payables (Note 9)	444.997	448.807	426.156	22.651	-	-
Due to related parties (Note 27)	246	246	246	-	-	-
Other liabilities	801.158	835.095	231.949	219.326	383.820	-
Other financial liabilities	534.691	590.905	8.860	69.311	482.734	-
	4.339.174	4.587.535	1.085.213	1.106.907	2.150.036	245.379
Derivative financial liabilities						
Derivative cash inflow	4.640	168.582	90.602	35.090	42.890	-
Derivative cash outflow	(6.610)	(168.569)	(79.603)	(39.981)	(48.985)	-
Derivative cash inflow/outflow, net (Note 9)	(1.970)	13	10.999	(4.891)	(6.095)	-

e) Fair value of financial instruments

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

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

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

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NOTE 28 - FINANCIAL RISK MANAGEMENT (Continued)

e) Fair value of financial instruments(Continued)

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 net liability/total equity ratio. Net liability is calculated as the total liability less cash and cash equivalents, derivative instruments and tax liabilities. Total equity is calculated as the total of net liability and the equity as shown in the consolidated balance sheet.

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

NOTE 28 - FINANCIAL RISK MANAGEMENT (Continued)

f) Capital risk management (Continued)

The net liability/total equity ratio at 30 September 2012 and 31 December 2011 is summarized below:

	30 September 2012	31 December 2011
Total liability (1)	4.261.880	4.613.184
Less: Cash and cash equivalents (Note 6)	(2.176.155)	(3.458.026)
Net liability	2.085.725	1.155.158
Equity	3.126.414	3.039.038
Total equity	5.212.139	4.194.196
Gearing ratio	40%	28%

(1) The amounts are calculated by deducting income tax payable, derivative financial instruments and deferred tax liability accounts from total liability.

NOTE 29 - 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.

**SELECTED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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NOTE 29 - FINANCIAL INSTRUMENTS (Continued)

Based on the fair value hierarchy, the Group's financial assets and liabilities are categorized as follows:

Financial assets	30 September 2012	Fair value at reporting date		
		Level 1 TRY	Level 2 TRY	Level 3 TRY
Financial assets at FVTPL				
Trading securities	-	-	-	-
Trading derivatives	-	-	-	-
Derivative Instruments	2.961	-	2.961	-
Available-for-sale financial assets	-	-	-	-
Bonds and bills	98.309	98.309	-	-
Total	101.270	98.309	2.961	-

Financial liabilities

Financial liabilities at FVTPL				
Trading securities	-	-	3.551	-
Trading derivatives	-	-	-	18.100
Derivative instruments	-	-	-	-
Other financial liabilities	-	-	-	-
Total	-	-	3.551	18.100

Financial assets	31 December 2011	Fair value at reporting date		
		Level 1 TRY	Level 2 TRY	Level 3 TRY
Financial assets at FVTPL				
Trading securities	-	-	-	-
Trading derivatives	-	-	-	-
Derivative Instruments	4.640	-	4.640	-
Available-for-sale financial assets	-	-	-	-
Bonds and bills	88.572	88.572	-	-
Total	93.212	88.572	4.640	-

Financial liabilities

Financial liabilities at FVTPL				
Trading securities	-	-	-	-
Derivative instruments	6.610	6.610	-	-
Other financial liabilities	66.438	-	-	66.438
Total	73.048	6.610	-	66.438

**SELECTED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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NOTE 30 - SUBSEQUENT EVENTS

About purchase of the financial non-current asset:

Between Dogan Enerji Yatırımları Sanayi ve Ticaret A.Ş.(Doğan Enerji or purchaser) which owned its share capital from the Company about %99,99 and Arista Yatırım ve Yönetim Holding A.Ş.(“Arista”or “Seller”);Totally 54 station which consist of 24 pcs ownership and operating rights its own,21 pcs operating right its own but ownership right is belong to third parties,9 pcs are operating in “Full Brand” as franchising system.Totally 5 terminal(3 pcs for rent and 2 pcs own property)which consist of 1 pcs liquid fuel and LPG,2 pcs only liquid fuel and 2 pcs only LPG.In 15 October 2012 an agreement signed which named “Purchase and sale of shares and management,administration of the company”about represents %60 of capital of Full Petrol ve Enerji Yatırımları Sanayi ve Ticaret A.Ş(“Full”).

Purchasing fee determined via negotiation fee of the shares which are in the scope of the transfer are determined about 109.000 USD.”Seller”accepted and committed to capital increase of “Full” about TRY equivalent to 175.00 USD at latest to closing time(28 December 2012).Doğan Enerji will be acquired %60 of the shares(TRY equivalent to 105.000 USD) for 109.000 USD of the Full which represents all paid capital which TRY equivalent to 175.000 USD.Share transfer fee will be paid as cash by “Seller”as of closing time.

Completon of the closing process and realizing share transfer/purchasing process are depend to other closing conditions and approvals of the “Legal”system(Enerji Piyasası Denetleme Kurumu ve Rekabet Kurumu).Closing date could be deferred at latest 90 days after “Purchaser”approvals.

According to “Combined”financial statements of the Full Grup as of 1 January 2012-30 June 2012,total assets appromaxitely TRY 692,3 mio(actual),”Sales Revenue” is TRY 649,1 mio(actual).

Land Purchase of Milpa Ömerli

Ownership of the 185/2400 shares equivalent to 172.528,47 m2 of the Ömerli land which reclassified as investment property by Group’s subsidiary Milpa,has been taken over from third parties for 6.901.139 USD via “Assigned Agreement”to waiwed all rights and claims with agreement which signed between April 2000 and October 2003 “Agreement of the promise to sell real estate and building construction with floor/revenue shared for land share. Milpa’s shares on Ömerli Land has raised to %63,25 with this purchase operation.

Ownership of the 185/2400 shares equivalent to 172.528,47 m2 of the Ömerli land which reclassified as investment property by Group’s subsidiary Milpa,has been taken over from third parties for 6.901.139 USD via “Assigned Agreement”to waiwed all rights and claims with agreement which signed between April 2000 and October 2003 “Agreement of the promise to sell real estate and building construction with floor/revenue shared for land share.

Sale of Property

In the Board of Directors meeting of Hürriyet, a subsidiary of the Group, on 17 October 2012, the BOD has made a decision to sell the property registered as land in Parcel No:4, Land No: 582 in Esenyurt village, Esenyurt district, İstanbul as a result of the negotiations in consideration for TL 50.000 and has decided to authorize the Group Management for the sales procedures.

TL 25.000 of the total sales amount is to be paid in cash with the transfer of the title and the remaining TL 25.000 is to be paid in 60 days starting from the transfer of the title with the necessary mortgages and guarantees received.

Capital Increase of Subsidiary

The Group has used all the rights to purchase new shares in the capital increase of Doğan Medya International GmbH , a direct subsidiary of the Group, from 87.000 EUR to 97.000 EUR.

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NOTE 30 - SUBSEQUENT EVENTS(Continued)

Kandilli Gayrimenkul Yatırımları İnşaat Yönetim ve Ticaret A.Ş.

A “Partnership Agreement” has been signed between one of the Group’s subsidiary’s Milta Turizm and Rönesans Gayrimenkul Yatırım A.Ş. in order to establish a new joint venture at 24 September 2012.

The required permissions has been obtained and the establishment has been completed for the Kandilli Gayrimenkul Yatırımları İnşaat Yönetim ve Ticaret A.Ş. (Kandilli A.Ş.) that Milta Turizm and Rönesans Gayrimenkul Yatırım A.Ş.' will have 50%-50% shares as co-founders.

Kandilli A.Ş., established for carrying out real estate projects in domestic , has transferred and purchased two land located in İnkilap District, Ümraniye, İstanbul with total 23.685 m2 area that registered at title deed as map section 50, island 1840, parcels 256, 257. at the amount (42.500.000 USD) (exact) that stated in “real property valuation report” by calculating maturity interest without VAT 45.395.311,86 USD (exact) (VAT inculed 53.566.468 USD(exact)) at 12 November 2012. 2,5 milion USD part of purchase price has been paid in cash at transfer date . Remaning amount (VAT included 51.066.468 USD (exact)) will be paid in 6 instalment up to 1 April 2015.

Approval of Financial Statements

The consolidated financial statements for the period ended 30 September 2012 were approved by the Board of Directors on 15 November 2012. Other than Board of Directors has no authority to change financial statements.

NOTE 31 - DISCLOSURE OF OTHER MATTERS

None.