

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**CONVENIENCE TRANSLATION INTO ENGLISH OF
CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD 1 JANUARY – 31 MARCH 2012**

**CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD 1 JANUARY - 31 MARCH 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 31 MARCH 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(*) 31 March 2012	Unaudited 31 March 2012	Audited 31 December 2011
ASSETS				
Current Assets		2.383.969	4.226.540	4.993.393
Cash and cash equivalents	6	1.545.842	2.740.623	3.468.287
Financial investments	7	98.929	175.391	191.672
Trade receivables				
- Due from related parties	27	2.963	5.253	4.511
- Other trade receivables	9	404.901	717.849	679.652
Other receivables				
- Due from related parties	27	1.988	3.525	3.702
- Other receivables	10	60.146	106.633	34.858
Financial derivative assets	7	1.279	2.267	4.640
Inventories		136.770	242.480	253.104
Biological assets		17	31	74
Other current assets	17	127.758	226.503	272.206
Sub-total		2.380.593	4.220.555	4.912.706
Non-current assets as held for sale		3.376	5.985	80.687
Non-current Assets		2.296.815	4.072.024	3.654.678
Trade receivables	9	77.006	136.524	133.527
Other receivables	10	271.523	481.383	399.849
Inventories		10.207	18.096	18.096
Financial investments	7	3.321	5.888	5.730
Investment properties	11	81.966	145.317	148.601
Property, plant and equipment	12	724.756	1.284.920	1.217.645
Intangible assets	12	422.000	748.164	727.226
Goodwill	13	307.739	545.591	539.951
Deferred income tax asset	26	48.247	85.537	90.124
Other non-current assets	17	350.050	620.604	373.929
TOTAL ASSETS		4.680.784	8.298.564	8.648.071

The consolidated financial statements for the interim period ended 31 March 2012 have been approved by the Board of Directors on 18 May 2012.

(*) As explained in the Note 2.1.7 to the consolidated financial statements, USD amounts shown in these consolidated financial statements have been included solely for the convenience of the reader and are translated from TRY, as a matter of arithmetic computation only, at the Central Bank of the Republic of Turkey official TRY exchange rate. Thus, USD amounts do not form a part of the consolidated financial statements prepared in accordance with generally accepted accounting standards issued by the Capital Market Board ("CMB") as at 31 March 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 31 MARCH 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.)

		<i>USD(*)</i>	Unaudited	Audited
	Notes	31 March 2012	31 March 2012	31 December 2011
LIABILITIES				
Current Liabilities		1.111.705	1.970.942	2.027.289
Borrowings and financial liabilities	8	477.582	846.705	934.850
Other financial liabilities		107.033	189.758	71.561
Financial derivative liabilities		2.577	4.568	6.610
Trade payables				
- Due to related parties	27	1.778	3.152	246
- Other trade payables	9	214.448	380.195	444.997
Other payables		38.354	67.998	89.907
Current income tax liabilities	26	16.541	29.326	38.858
Provisions	15	25.422	45.070	44.093
Other current liabilities	17	227.970	404.170	396.167
Other current liabilities		1.343.230	2.381.412	2.769.713
Borrowings and financial liabilities	8	837.078	1.484.056	1.623.232
Other financial liabilities		170.684	302.605	456.520
Other payables		51.937	92.079	97.044
Provisions		11	19	265
Provisions for employment benefits		28.417	50.381	49.311
Other non-current liabilities	17	174.357	309.118	404.991
Deferred income tax liabilities	26	80.746	143.154	138.350
SHAREHOLDERS' EQUITY		2.225.849	3.946.210	3.851.069
Equity Attributable to Equity Holders Of The Company	18	1.706.278	3.025.062	3.039.038
Share capital	18	1.381.917	2.450.000	2.450.000
Adjustment to share capital	18	80.955	143.526	143.526
Share Premium	18	355	630	630
Revaluation fund	18	(2.815)	(4.991)	(4.056)
Translation reserve	18	23.545	41.743	67.538
Restricted reserves				
assorted from profit	18	817.947	1.450.139	1.450.139
Retained earnings	18	(608.940)	(1.079.589)	(311.595)
Net income/(loss) for the period		13.314	23.604	(757.144)
Non-controlling interest		519.571	921.148	812.031
TOTAL LIABILITIES		4.680.784	8.298.564	8.648.071

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 INTERIM PERIODS ENDED 1 JANUARY-31 MARCH 2012 AND 31 MARCH
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(*) 1 January 31 March 2012	Unaudited 1 January 31 March 2012	Unaudited 1 January 31 March 2011
Continued Operations				
Sales	19	420.547	745.588	621.403
Cost of Sales(-)	19-21	(317.922)	(563.644)	(452.036)
Gross profit	19	102.625	181.944	169.367
Marketing, selling and distribution expenses (-)	20-21	(49.122)	(87.089)	(75.730)
General administrative expenses (-)	20-21	(53.095)	(94.133)	(86.250)
Other Income	22	88.006	156.025	20.673
Other Expenses (-)	22	(8.830)	(15.652)	(349.015)
Operating profit / (loss)		79.584	141.095	(320.955)
Financial income	23	388.553	688.866	194.920
Financial expenses (-)	24	(398.508)	(706.516)	(146.305)
Gain / (loss) before taxation from continued operations		69.629	123.445	(272.340)
Tax expenses				
from continued operations	26	(24.736)	(43.855)	(38.778)
Current income tax expense for the period		(20.907)	(37.066)	(42.251)
Deferred tax income / (expenses)		(3.829)	(6.789)	3.473
Gain / (loss) from continued operations		44.893	79.590	(311.118)
Discontinued operations				
Profit after tax from discontinued operations	25	-	-	(48.413)
Net profit / (loss) for the period		44.893	79.590	(359.531)
Distribution of (loss)/profit for the period				
Attributable to non-controlling interests		31.579	55.986	(159.639)
Attributable to equity holders of the company		13.314	23.604	(199.892)
(Loss)/Earnings per share profit Attributable to equity holders of the company		0,0096	0,0096	(0,0816)
Total (Loss)/Earnings from continuing operations for profit attributable to equity holders of the company per share		0,0096	0,0096	(0,0692)

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DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE INTERIM PERIODS ENDED 31 MARCH 2012 AND 31 MARCH 2011**

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

	USD(*) 1 January 31 March 2012	Unaudited 1 January 31 March 2012	Unaudited 1 January 31 March 2011
(Loss)/Profit for the Period	44.893	79.590	(359.531)
<u>Other Comprehensive (Expense)/Income:</u>			
Change in Financial Assets Fair Value Reserve	(527)	(935)	(74)
Change in Translation Reserves	9.115	16.161	47.961
Other Comprehensive Expense (After Income Tax)	8.588	15.226	47.887
Total Comprehensive Income / (Expense)	53.481	94.816	(311.644)
Allocation of Total Comprehensive (Expense) /Income			
Attributable to Non-controlling Interests	55.244	97.942	(139.941)
Attributable to Equity Holders of the Company	(1.763)	(3.126)	(171.703)

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DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE INTERIM PERIODS ENDED 1 JANUARY-31 MARCH 2012 AND 31 MARCH 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	Non-current assets revolution fund	Translation reserve	Restricted reserves	Retained earnings	Net profit/(loss) for the period	Equity attributable to equity holders of the company	Non-controlling interest	Total shareholder's equity
Balances at 1 January 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
Sales of financial assets		-	-	-	(13.271)	-	-	-	13.271	-	-	-	-
Dividend paid		-	-	-	-	-	-	-	-	-	-	(829)	(829)
Other (*)		-	-	-	-	-	-	-	-	-	-	(158)	(158)
Total comprehensive loss		-	-	-	(74)	-	28.263	-	-	(199.892)	(171.703)	(139.941)	(311.644)
-Change in financial asset fair value reserve, net		-	-	-	(74)	-	-	-	-	-	(74)	-	(74)
-Currency translation differences		-	-	-	-	-	28.263	-	-	-	28.263	19.698	47.961
- Net loss for the period		-	-	-	-	-	-	-	-	(199.892)	(199.892)	(159.639)	(359.531)
Transfers		-	-	-	-	-	-	-	656.204	(656.204)	-	-	-
Balances at 31 March 2011	18	2.450.000	143.526	630	573	-	24.324	696.888	576.792	(199.892)	3.692.841	615.570	4.308.411
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		-	-	-	-	-	-	-	(757.144)	757.144	-	-	-
Dividend payments of joint ventures to non-group parties		-	-	-	-	-	-	-	-	-	-	(686)	(686)
Share transfer of joint venture		-	-	-	-	-	-	-	(32.224)	-	(32.224)	(13.588)	(45.812)
Financial liabilities subject to put option		-	-	-	-	-	-	-	21.374	-	21.374	25.529	46.903
non-controlling interest		-	-	-	-	-	-	-	-	-	-	(80)	(80)
Other ⁽²⁾		-	-	-	-	-	-	-	-	-	-	(80)	(80)
Total comprehensive loss		-	-	-	(935)	-	(25.795)	-	-	23.604	(3.126)	97.942	94.816
-Change in financial asset fair value reserve, net		-	-	-	(935)	-	-	-	-	-	(935)	-	(935)
-Currency translation differences		-	-	-	-	-	(25.795)	-	-	-	(25.795)	41.956	16.161
- Net profit for the period		-	-	-	-	-	-	-	-	23.604	23.604	55.986	79.590
Balances at 31 March 2012	18	2.450.000	143.526	630	(4.991)	-	41.743	1.450.139	(1.079.589)	23.604	3.025.062	921.148	3.946.210

⁽¹⁾ As at 21 March 2012, the Group transferred GDR's that are in dispute in relation to the use of the put option amounting to USD 25 Million to a third party legal entity and as a result arbitration application of the Group has been withdrawn. Accordingly, the Group bears no liability in relation to the related put option and the effect of the related transaction is recognized under equity.

⁽²⁾ Represents fair value changes in trading options related to non-controlling interest, and share purchase and sale related to non-controlling interest.

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

**CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE
INTERIM PERIODS ENDED 1 JANUARY-31 MARCH 2012 AND 31 MARCH 2011**

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

	Notes	USD (*) 1 January- 31 March 2012	Unaudited 1 January- 31 March 2012	Unaudited 1 January- 31 March 2011
Profit / (loss) before income taxes from continued operations		69.629	123.445	(272.340)
Profit / (loss) before income taxes from discontinued operations	25	-	-	44.601
Adjustments:				
Depreciation and amortization	11-12	29.052	51.507	60.831
Interest expenses	24	13.487	23.911	31.268
Tax liability and tax base increase financing expense regarding Law 6111	24	9.866	17.491	-
Unearned finance income and credit finance expense due to sales with maturity	24	7.956	14.105	7.511
Provision / (reversal) for doubtful receivables	9	(368)	(652)	2.514
Increase in provision for employment termination benefits		2.784	4.936	4.559
Provision / (reversal) for of impairment of investment property, property, plant and equipment and intangible assets	11-12	(736)	(1.304)	193
Loss / (gain) on sale of property, plant and equipment, net	22	(80.128)	(142.059)	743
Currency translation differences		(11.313)	(20.057)	15.782
Provision for of impairment on inventories		(393)	(697)	(8.923)
Interest income	23	(31.226)	(55.360)	(47.085)
Deferred finance expense and credit finance income due to purchase with maturity	23	(14.291)	(25.337)	(14.524)
Profit on sale from available for sale financial asset	22	-	-	(11.278)
Tax liability expense in dispute regarding 6111 law		-	-	249.885
Tax base increase liability regarding Law 6111		-	-	85.306
Unrealized foreign exchange (income) loss (net)		(72.761)	(128.998)	20.489
Competition authority penalty		-	-	4.923
Provision for unused vacation		1.564	2.772	2.696
Tax penalty expense		-	-	(3.616)
		(76.878)	(136.297)	173.535

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DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE
INTERIM PERIODS ENDED 1 JANUARY-31 MARCH 2012 AND 31 MARCH 2011**

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

	Notes	USD (*) 1 January- 31 March 2012	Unaudited 1 January- 31 March 2012	Unaudited 1 January- 31 March 2011
Change in assets and liabilities:				
Increase in trade receivables and due from related parties		(25.423)	(45.073)	(63.180)
Decrease in inventories		6.172	10.942	1.621
Decrease in other receivables		45.457	80.590	3.733
Increase/(decrease) in other payables		(6.210)	(11.010)	22.834
Increase/(decrease) in trade payables and due to related parties		(34.912)	(61.896)	5.440
Increase in other non-current assets		(142.737)	(253.059)	(14.974)
Increase/(decrease) in other long term liabilities		(6.950)	(12.321)	(97.786)
Decrease in financial investments		9.757	17.299	27.914
Employment termination benefits paid		(2.181)	(3.866)	-
Taxes paid		(27.681)	(49.076)	(84.752)
Increase/(decrease) in debt provisions		551	977	(31.276)
Tax liability in dispute paid regarding 6111 law		(50.205)	(89.008)	-
Tax base increase paid regarding 6111 law		(1.785)	(3.165)	-
Net cash used in operating activities:		(313.025)	(554.963)	(56.891)
Investing activities:				
Acquisition of property, plant and equipment and intangible assets	12	(70.174)	(124.411)	(70.828)
Purchase of investment property	11	(3.691)	(6.543)	(2.992)
Proceeds from sale of property, plant and equipment and intangible assets		28.349	50.260	12.115
Cash provided from financial investment sales			-	36.225
Decrease in derivative liabilities		(1.110)	(1.968)	-
Increase / (decrease) in long term liabilities		(14.239)	(25.244)	10.150
Cash provided from sale of subsidiary		1.561	2.767	-
Net cash (used in)/ provided from investing activities		(59.304)	(105.139)	(15.330)
Financing activities:				
Increase / (decrease) in financial borrowings		(51.769)	(91.782)	65.182
Interest received		32.180	57.052	29.626
Interest paid		(11.518)	(20.420)	(31.268)
Dividends paid to non-controlling interests		(387)	(686)	(829)
Increase/(decrease) in financial debts regarding options	8	(5.659)	(10.033)	1.600
Net cash provided / (used) in financing activities		(37.153)	(65.869)	64.311
Net decrease in cash and cash equivalents		(409.482)	(725.971)	(7.910)
Cash and cash equivalents at the beginning of the period	6	1.950.379	3.457.827	3.458.829
Cash and cash equivalents at the end of the period	6	1.540.897	2.731.856	3.450.919

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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 INTERIM PERIOD ENDED 31 MARCH 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, insurance, manufacturing and marketing and is registered in Turkey. Doğan Holding also provides financial and managerial advisory and internal audit services to its subsidiaries and joint ventures operating in these fields.

Doğan Holding is registered with the Capital Markets Board (“CMB”) and its shares have been quoted on the Istanbul Stock Exchange (“ISE”) since 21 June 1993. As of 31 March 2012, %32,58 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:

- 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 and construction. 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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**SELECTED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD ENDED 31 MARCH 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 (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
İşıl İthalat İhracat Mümessillik A.Ş. (“İşıl İthalat İhracat”)	Turkey	Import and export	Media
Tasfiye Halinde Refeks Dağıtım and Kurye Hizmetleri A.Ş. (“Refeks”)	Turkey	Distribution and courier services	Media
Doğan Haber Ajansı A.Ş. (“Doğan Haber”)	Turkey	News agency	Media
E Tüketici İnternet ve Danışmanlık Hizmetleri Elektronik Yayıncılık A.Ş. (“E Tüketici”)	Turkey	Internet services	Media
Doğan Gazetecilik İnternet Hizmetleri ve Ticaret A.Ş. (“Doğan Gazetecilik İnternet”)	Turkey	Internet services	Media
Yenibirış İnsan Kaynakları Hizmetleri Danışmanlık ve Yayıncılık A.Ş. (“Yenibir”)	Turkey	Internet services	Media
TME Teknoloji Proje Geliştirme ve Yazılım A.Ş. (“TME Teknoloji”)	Turkey	Software services	Media
Hürriyet Zweigniederlassung GmbH (“Hürriyet Zweigniederlassung”)	Germany	Newspaper printing	Media
Milliyet Verlags und Handels GmbH (“Milliyet Verlags”)	Germany	Newspaper publishing	Media
Doğan Media International GmbH (“DMI”)	Germany	Newspaper publishing	Media
Hürriyet Invest B.V. (“Hürriyet Invest”)	The Netherlands	Investment	Media
Fairworld International Limited (“Fairworld”)	England	Foreign trade	Media
Falcon Purchasing Services Ltd. (“Falcon”)	England	Foreign trade	Media
Marchant Resources Ltd. (“Marchant”)	British Virgin Islands	Foreign trade	Media
Trader Media East Ltd. (“TME”)	Jersey	Investment	Media
Oglasnik d.o.o.	Croatia	Newspaper and internet publishing	Media
TCM Adria d.o.o.	Croatia	Investment	Media
Internet Posao d.o.o.	Croatia	Internet publishing	Media
Expressz Magyarorszag Media Zrt	Hungary	Newspaper and internet publishing	Media
Mirabridge International B.V.	The Netherlands	Investment	Media
Pronto Invest B.V.	The Netherlands	Investment	Media
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
OOO Pronto DV	Russia	Newspaper and internet publishing	Media
OOO Pronto Ivanovo	Russia	Newspaper and internet publishing	Media
OOO Pronto Kaliningrad	Russia	Newspaper and internet publishing	Media
OOO Pronto Kazan	Russia	Newspaper and internet publishing	Media

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NOTE 1 - ORGANIZATION AND NATURE OF OPERATIONS (Continued)

Subsidiaries	Country	Nature of business	Segment
OOO Pronto Krasnodar	Russia	Newspaper and internet publishing	Media
OOO Pronto Krasnoyarsk	Russia	Newspaper and internet publishing	Media
OOO Pronto 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 Volgograd	Russia	Newspaper and internet publishing	Media
OOO Pronto Moscow	Russia	Newspaper and internet publishing	Media
OOO Pronto Neva	Russia	Newspaper and internet publishing	Media
OOO Tambukan	Russia	Newspaper and internet publishing	Media
OOO Utro Peterburga	Russia	Newspaper and internet publishing	Media
OOO Pronto Astrakhan	Russia	Newspaper and internet publishing	Media
OOO Pronto Kemerovo	Russia	Newspaper and internet publishing	Media
OOO Pronto Smolensk	Russia	Newspaper and internet publishing	Media
OOO Pronto Tula	Russia	Newspaper and internet publishing	Media
OOO Pronto Voronezh	Russia	Newspaper and internet publishing	Media
OOO Tambov-Info	Russia	Newspaper and internet publishing	Media
OOO Pronto Obninsk	Russia	Newspaper and internet publishing	Media
OOO 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	Russia	Printing services	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
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. (“Kanalspor”)	Turkey	TV Publishing	Media
Milenyum Televizyon Yayıncılık ve Yapımcılık A.Ş. (“Milenyum TV”)	Turkey	TV Publishing	Media
TV 2000 Televizyon Yayıncılık Yapımcılık Sanayi ve Ticaret A.Ş. (“TV 2000”)	Turkey	TV Publishing	Media

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NOTE 1 - ORGANIZATION AND NATURE OF OPERATIONS (Continued)

Subsidiaries	Country	Nature of business	Segment
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
Elit Televizyon ve Radyo Yayıncılık A.Ş. (“Elit 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
Dönence Televizyon ve Radyo Yayıncılık A.Ş. (“Dönence TV”)	Turkey	TV publishing	Media
Fleks Televizyon ve Radyo Yayıncılık A.Ş. (“Fleks TV”)	Turkey	TV publishing	Media
Planet Televizyon ve Radyo Yayıncılık A.Ş. (“Planet TV”)	Turkey	TV publishing	Media
Deniz Televizyon ve Radyo Yayıncılık A.Ş. (“Deniz TV” or “HD TV”)	Turkey	TV publishing	Media
Doğan Prodüksiyon Hizmetleri A.Ş. (“Doğan Prodüksiyon”)	Turkey	TV publishing	Media
Kutup Televizyon ve Radyo Yayıncılık A.Ş. (“Kutup TV”)	Turkey	TV publishing	Media
Galaksi Radyo 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
Atmosfer Televizyon ve Radyo Yayıncılık A.Ş. (“Atmosfer TV”)	Turkey	TV publishing	Media
Gümüş Televizyon ve Radyo Yayıncılık A.Ş. (“Gümüş TV”)	Turkey	TV publishing	Media
Platin Televizyon ve Radyo Yayıncılık A.Ş. (“Platin TV”)	Turkey	TV publishing	Media
Yörünge Televizyon ve Radyo Yayıncılık A.Ş. (“Yörünge TV”)	Turkey	TV publishing	Media
Safir Televizyon ve Radyo Yayıncılık A.Ş. (“Safir Televizyon”)	Turkey	TV publishing	Media
Tematik Televizyon ve Radyo Yayıncılık A.Ş. (“Tematik TV”)	Turkey	TV publishing	Media
Süper Kanal Televizyon Video Radyo Basın Yapım, Yayın Tanıtım ve Haber Hizmetleri A.Ş. (“Süperkanal”)	Turkey	TV publishing	Media
Uydu İletişim Basın Yayın A.Ş. (“Uydu”)	Turkey	TV publishing	Media
Tasfiye Halinde Mobil Teknolojileri Araştırma Geliştirme A.Ş. (“Mobil”)	Turkey	Interactive services	Media
Tasfiye Halinde Matis Reklam ve Pazarlama A.Ş. (“Matis TV”)	Turkey	TV publishing	Media
Yonca Pazarlama ve Dağıtım A.Ş. (“Yonca TV”)	Turkey	TV publishing	Media
Tasfiye Halinde İnci Televizyon ve Radyo Yayıncılık A.Ş. (“İnci TV”)	Turkey	TV publishing	Media
Kuvars Televizyon ve Radyo Yayıncılık A.Ş. (“Kuvars TV”)	Turkey	TV publishing	Media
Lal Televizyon ve Radyo Yayıncılık A.Ş. (“Lal TV”)	Turkey	TV publishing	Media
Tasfiye Halinde Truva Televizyon ve Radyo Yayıncılık A.Ş. (“Truva TV”)	Turkey	TV publishing	Media
Tasfiye Halinde Kayra Televizyon ve Radyo ve Yayıncılık A.Ş. (“Kayra TV”)	Turkey	TV publishing	Media
Tasfiye Halinde Milas Televizyon ve Radyo Yayıncılık A.Ş. (“Milas TV”)	Turkey	TV publishing	Media
Anemon İletişim Hizmetleri A.Ş. (“Anemon”)	Turkey	TV publishing	Media
Yosun İletişim Hizmetleri A.Ş. (“Yosun”)	Turkey	TV publishing	Media
Denizati İletişim Hizmetleri A.Ş. (“Denizati”)	Turkey	TV publishing	Media
Protoma Yapım Reklamcılık ve Dağıtım A.Ş. (“Protoma Yapım”)	Turkey	TV publishing	Media
Doğan Teleshopping Pazarlama ve Ticaret A.Ş. (“Doğan Teleshopping” or “Her Eve Lazım”)	Turkey	TV publishing	Media
Rapsodi Radyo ve Televizyon Yayıncılık A.Ş. (“RapsodiRadyo”)	Turkey	Radio broadcasting	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

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NOTE 1 - ORGANIZATION AND NATURE OF OPERATIONS (Continued)

Subsidiaries	Country	Nature of Business	Segment
Aras Prodüksiyon ve Satış A.Ş. (“Aras Prodüksiyon”)	Turkey	TV publishing	Media
Doğan İletişim Elektronik Servis Hizmetleri ve Yayıncılık A.Ş. (“Doğan İletişim”)	Turkey	Internet service producer	Media
Doğan Factoring Hizmetleri A.Ş. (“Doğan Factoring”)	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	Production	Other
Ditaş Doğan Yedek Parça İmalat ve Teknik A.Ş. (“Ditaş Doğan”)	Turkey	Production	Other
Milta Turizm İşletmeleri A.Ş. (“Milta Turizm”)	Turkey	Tourism	Other
Doğan Organik Ürünler Sanayi ve Ticaret A.Ş. (“Doğan Organik”)	Turkey	Agriculture	Other
Zigana Elektrik Dağıtım Sanayi ve Ticaret A.Ş. (“Zigana”)	Turkey	Energy	Other
Doğan Enerji Yatırımları Sanayi ve Ticaret A.Ş. (“Doğan Enerji”)	Turkey	Energy	Other
SC D-Yapı Real Estate, Investment and Construction S.A. (“D Yapı Romanya”)	Romania	Real Estate	Other
D Stroy Limited (“D Stroy”)	Russia	Real Estate	Other
SC Doğan Hospitals Investments and Management SRL (“SC Doğan Hospitals”)	Romania	Real Estate	Other
DHI Investment B.V. (“DHI Investment”)	The Netherlands	Investment	Other

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

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

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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.

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 TASB as of the date of these financial statements. The consolidated financial statements and accompanying notes to them have been presented in accordance with the CMB’s Communiqué No: XI-29 and its regulations with regard to preparation of financial statements by including the mandatory information.

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

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

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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 (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

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

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 31 March 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 (%)	
	31 March 2012	31 December 2011	31 March 2012	31 December 2011	31 March 2012	31 December 2011	31 March 2012	31 December 2011
	2012	2011	2012	2011	2012	2011	2012	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	100,00	100,00	74,31	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	99,96	99,85	0,04	0,08	100,00	99,93	60,60	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	75,53	75,47
Doğan Dış Ticaret	100,00	100,00	-	-	100,00	100,00	75,34	75,34
İşıl İthalat İhracat	96,70	96,70	-	-	96,70	96,70	72,86	72,86
Refeks ⁽³⁾	100,00	100,00	-	-	100,00	100,00	61,40	61,40
E Tüketici	99,00	99,80	0,10	0,10	99,10	99,90	60,79	60,79
Doğan Gazetecilik								
İnternet	100,00	100,00	-	-	100,00	100,00	53,72	53,72
Yenibir	100,00	100,00	-	-	100,00	100,00	61,40	61,40
TME Teknoloji	100,00	100,00	-	-	100,00	100,00	61,40	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 ⁽⁴⁾	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
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 ⁽⁶⁾	100,00	100,00	-	-	100,00	100,00	72,86	71,84
Oglasnik d.o.o. ⁽⁵⁾	100,00	100,00	-	-	100,00	100,00	45,61	43,68

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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 (%)	
	31 March 2012	31 December 2011	31 March 2012	31 December 2011	31 March 2012	31 December 2011	31 March 2012	31 December 2011
Expressz Magyarorszag								
Media Zrt	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	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 ⁽³⁾	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 ⁽⁷⁾	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 ⁽⁸⁾	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 ⁽⁹⁾	100,00	100,00	-	-	100,00	100,00	45,61	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 ⁽⁷⁾	55,00	55,00	-	-	55,00	55,00	25,08	24,03
OOO Pronto Astrakhan ⁽³⁾	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
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.	100,00	100,00	-	-	100,00	100,00	31,93	30,58
Moje Delo spletni Marketing d.o.o. ⁽⁵⁾	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	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 (%)	
	31 March	31 December	31 March	31 December	31 March	31 December	31 March	31 December
	2012	2011	2012	2011	2012	2011	2012	2011
OOO Partner-Soft	100,00	100,00	-	-	100,00	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	60,44	60,44
Osmose Media	100,00	100,00	-	-	100,00	100,00	60,44	60,44
OOO Rosprint ⁽¹⁰⁾	100,00	100,00	-	-	100,00	100,00	45,61	43,68
OOO Rosprint Samara	100,00	100,00	-	-	100,00	100,00	45,61	43,68
Impress Media								
Marketing LLC ⁽⁵⁾	100,00	100,00	-	-	100,00	100,00	45,61	43,68
Pronto Ust Kamenogorsk	90,00	90,00	-	-	90,00	90,00	36,48	34,94
Doğan TV Holding ⁽¹¹⁾	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
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	58,28	57,40
Tempo TV	96,29	94,71	2,13	2,13	98,42	96,84	58,34	57,33
Kanalspor	99,59	99,59	0,29	0,29	99,88	99,88	60,35	60,28
Milenyum TV	99,92	99,90	0,06	0,06	99,98	99,96	60,39	60,38
TV 2000	98,45	98,44	1,09	1,09	99,54	99,53	59,66	59,59
Moda Radyo ⁽¹²⁾	-	99,82	-	0,09	-	99,91	-	60,34
Popüler TV	94,66	94,66	2,67	2,67	97,33	97,33	57,37	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	59,91	59,77
Doğa TV	97,50	97,50	1,25	1,25	98,75	98,75	59,08	59,02
Altın Kanal	99,14	99,14	0,43	0,43	99,57	99,57	60,08	60,01
Stil TV	98,90	98,91	0,79	0,79	99,69	99,70	59,93	59,87
Selenit TV	99,81	99,81	0,06	0,06	99,87	99,87	60,48	60,42
Elit TV	99,05	99,05	0,32	0,32	99,37	99,37	60,02	59,96
D Çocuk	98,95	99,95	0,76	0,76	99,71	99,71	59,96	59,89
Ekinoks TV	99,76	99,77	0,17	0,17	99,93	99,94	60,45	60,39
Dönence TV	96,16	96,17	2,77	2,77	98,93	98,94	58,27	58,21
Fleks TV	97,81	97,81	1,58	1,58	99,39	99,39	59,28	59,21
Planet TV	99,36	99,36	0,46	0,46	99,82	99,82	60,21	60,15
HD TV	99,67	99,67	0,24	0,24	99,91	99,91	60,39	60,33
Doğan Prodüksiyon	100,00	100,00	-	-	100,00	100,00	60,44	60,44
Doğan TV Dijital	99,99	99,99	0,01	0,01	100,00	100,00	60,60	60,53
Kutup TV	99,63	99,79	0,27	0,27	99,90	99,90	60,37	60,31
Galaksi TV	98,87	99,20	1,00	1,00	99,87	99,20	59,91	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	86,67	86,67	3,33	3,33	90,00	90,00	52,52	52,46
Gümüş TV	92,86	92,86	1,79	1,79	94,65	94,65	56,27	56,21
Platin TV	91,30	91,30	2,17	2,17	93,47	93,47	55,33	55,27
Yörünge TV	98,39	98,39	0,40	0,40	98,79	98,79	59,62	59,56
Doruk Televizyon	99,86	99,86	0,08	0,08	99,94	99,94	60,36	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 Doğan family members (%)		Total proportion of voting power held (%)		Proportion of effective ownership interest (%)	
	31 March	31 December	31 March	31 December	31 March	31 December	31 March	31 December
	2012	2011	2012	2011	2012	2011	2012	2011
Safir Televizyon	86,66	86,66	6,67	6,67	93,33	93,33	52,52	52,46
Tematik TV	86,66	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	60,39	60,32
Uydu	58,67	58,67	32,00	32,00	90,67	90,67	35,54	35,51
Mobil ⁽¹³⁾	99,99	99,99	-	-	99,99	99,99	60,44	60,44
Matis TV ⁽¹⁴⁾	100,00	100,00	-	-	100,00	100,00	60,60	60,53
Yonca TV	100,00	100,00	-	-	100,00	100,00	60,44	60,44
İnci TV ⁽¹⁵⁾	90,00	86,67	3,33	3,33	93,33	90,00	54,53	52,46
Kuvars TV	90,00	86,67	3,33	3,33	93,33	90,00	54,53	52,46
Lal TV	90,00	86,67	3,33	3,33	93,33	90,00	54,53	52,46
Truva TV ⁽¹⁶⁾	90,00	86,67	3,33	3,33	93,33	90,00	54,53	52,46
Kayra TV ⁽¹⁵⁾	90,00	86,67	3,33	3,33	93,33	90,00	54,53	52,46
Milas TV ⁽¹⁵⁾	90,00	86,67	3,33	3,33	93,33	90,00	54,53	52,46
Kanal D Romanya	83,17	83,17	-	-	83,17	83,17	57,87	57,87
Anemon	100,00	100,00	-	-	100,00	100,00	60,44	60,44
Yosun	100,00	100,00	-	-	100,00	100,00	60,44	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	43,68	43,18
Rapsodi Radyo	97,58	97,58	1,49	1,49	99,07	99,07	58,98	58,98
DMC	99,96	99,96	0,01	0,01	99,97	99,97	65,26	65,26
İnteraktif Medya	100,00	100,00	-	-	100,00	100,00	60,44	60,44
DMK ⁽¹⁷⁾	100,00	100,00	-	-	100,00	100,00	100,00	75,59
Hürservis ⁽¹⁷⁾	100,00	100,00	-	-	100,00	100,00	95,60	73,97
Doğan İletişim	100,00	100,00	-	-	100,00	100,00	75,59	75,59
Doğan Factoring	100,00	100,00	-	-	100,00	100,00	75,11	75,11
Aras Prodüksiyon ⁽¹⁸⁾	99,99	99,99	-	-	99,99	99,99	60,44	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
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	100,00	100,00	-	-	100,00	100,00	100,00	100,00
DHI Investment	100,00	100,00	-	-	100,00	100,00	100,00	100,00

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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 Holding 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 related subsidiary is in the liquidation process during the year 2011.
- (4) 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.
- (5) Related rates include put-options regarding non-controlling shares explained in Note 20.
- (6) The liquidation process of the related subsidiary has been completed as of 14 April 2012.
- (7) The related subsidiaries have ceased its operations before the year 2010.
- (8) The merging process for Pronto Rostov and the related subsidiary has started during the year 2011.
- (9) The liquidation process of the related subsidiary has been completed as of 10 April 2012.
- (10) The sale of the related subsidiary have been completed as of 5 April 2012.
- (11) According to the statutory records of Doğan TV Holding, proportion of effective ownership interest of Doğan Holding is 60,44%. Nevertheless, in consequence of the option explained in Note 15, the operational results of Doğan Gazetecilik 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: Presentation”.
- (12) The sale and transfer of shares of the related subsidiary have been completed as of 12 January 2012.
- (13) The related subsidiary is in the liquidation process as of 28 July 2010.
- (14) The company is in the liquidation process as of 8 April 2011.
- (15) The company is in the liquidation process as of 11 April 2011.
- (16) The company is in the liquidation process as of 6 April 2011.
- (17) 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.
- (18) The related subsidiary was merged with Doruk Televizyon as of 26 April 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 31 March 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 6.907 of cost of sales amount, TRY 3.976 is reclassified to “marketing, sales and distribution expenses” and the remaining TRY 2.931 is reclassified to “general and administrative expenses”.
- Cost of sales amounting to TRY 2.104 is offset against the sales revenue.

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.

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.

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

2.1.7 US dollar convenience translation

US dollar (“USD”) amounts shown in the consolidated financial statements have been included solely for the convenience of the reader and are translated from Turkish lira (“TRY”), as a matter of arithmetic computation only, at the Central Bank of the Republic of Turkey official TRY exchange rate of TRY 1,7729 = USD 1,00 on 31 March 2012. Thus, USD amounts do not form a part of the consolidated financial statements prepared in accordance with generally accepted accounting standards issued by the CMB. Such translations should not be construed as a representation that the TRY amounts have been or could be converted into USD at this or any other rate.

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 31 March 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 – 31 March 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

The following new and revised Standards and Interpretations have been applied by the Group in the current year and have affected the amounts reported and disclosures in these financial statements. Details of other new and revised IFRSs applied in these financial statements that have had no material impact on the financial statements are set out in further sections.

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

IFRS 7 (Amendments)
IAS 12 (Amendments)

Disclosures – Transfers of Financial Assets
Deferred Taxes – Recovery of Underlying 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>Disclosures – Transfers of Financial Assets</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 beginning on 2012 and 2013 and 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

There is no business combination that has significant effect on the financial statements ended 31 March 2012 and 31 December 2011.

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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.
Eko TV Televizyon Yayıncılık A.Ş. (“TNT”)	Turkey	TV publishing	Media	Turner Broadcasting System International Inc.
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 İsebaş İstanbul Elektrik Dağıtım Sanayi ve Ticaret A.Ş. (“İsebaş”)	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

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NOTE 4 - JOINT VENTURES (Continued)

The table below sets out the Joint Ventures, the proportion of voting power held by Doğan Holding, its subsidiaries and Doğan family and effective ownership interests at 31 March 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 (%)	
	31 March 2012	31 December 2011	31 March 2012	31 December 2011	31 March 2012	31 December 2011	31 March 2012	31 December 2011
ASPM Holding B.V.	51,00	51,00	-	-	51,00	51,00	22,28	22,02
OOO Autoscout24	51,00	51,00	-	-	51,00	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	34,75	34,72
Ultra Kablolu ⁽¹⁾	50,00	50,00	-	-	50,00	50,00	37,80	37,80
TNT	75,02	75,02	0,02	0,02	75,04	75,04	45,35	45,35
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

(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.

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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:

	31 March 2012	31 December 2011
Current Assets	107.667	64.401
Non-current assets	901.029	855.086
Total assets	1.008.696	919.487
Current liabilities	172.936	127.373
Non-current liabilities	555.742	538.275
Equity	280.018	253.839
Total liabilities and equity	1.008.696	919.487
	1 January - 31 March 2012	1 January - 31 March 2011
Statements of Income:		
Gross profit	9.990	7.889
Marketing, sales and distribution expenses (-)	(7.002)	-
General administrative expenses (-)	(3.870)	(9.382)
Other operating (expenses) / income, net	(760)	(1.556)
Operating loss	(1.642)	(3.049)
Financial income	10.556	4.277
Financial expenses (-)	(53.414)	(1.615)
Loss before income taxes	(44.500)	(387)
Current income tax charge	(267)	(314)
Deferred tax (expenses) / income	(6.411)	1.610
Net (loss) for the period	(51.178)	909

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NOTE 5 – SEGMENT REPORTING

a) External Revenues

	31 March 2012	31 March 2011
Media	603.302	498.126
Retail	81.112	62.379
Other	61.174	60.898
	745.588	621.403

b) Profit /(Loss) before income taxes

	31 March 2012	31 March 2011
Medya	186.310	(336.357)
Retail	3.446	2.769
Other	(66.311)	61.248
	123.445	(272.340)

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NOTE 5 - SEGMENT REPORTING (Continued)

c) Segmental analysis for the one year period ended 31 March 2012:

	Media (*)	Retail	Other (*)	Inter-segment elimination	Total
External revenues	603.302	81.112	61.174	-	745.588
Intra segment revenues	374.137	-	1.137	-	375.274
Inter segment revenues	4.018	506	7.223	-	11.747
Total revenues	981.457	81.618	69.534	-	1.132.609
Total cost of sales	(763.074)	(52.088)	(56.695)	-	(871.857)
Revenues	607.320	81.618	68.397	(11.747)	745.588
Cost of sales	(454.876)	(52.088)	(56.680)	-	(563.644)
Gross profit	152.444	29.530	11.717	(11.747)	181.944
Marketing, selling and distribution expenses (-)	(62.897)	(24.728)	(2.896)	3.432	(87.089)
General administrative expenses (-)	(79.029)	(1.946)	(20.090)	6.932	(94.133)
Other income/(expenses), net	138.950	(24)	1.783	(336)	140.373
Financial income	143.450	3.048	542.512	(144)	688.866
Financial expenses (-)	(106.608)	(2.434)	(599.337)	1.863	(706.516)
Profit/(Loss) before income taxes	186.310	3.446	(66.311)	-	123.445

(*) 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 31 March 2011 (Continued):

	Media (*)	Retail	Other (*)	Inter-segment elimination	Total
External revenues	498.126	62.379	60.898	-	621.403
Intra segment revenues	425.511	773	1.518	-	427.802
Inter segment revenues	2.875	862	10	-	3.747
Total revenues	926.512	64.014	62.426	-	1.052.952
Total cost of sales	(708.172)	(43.020)	(59.395)	-	(810.587)
Revenues	501.001	63.241	60.908	(3.747)	621.403
Cost of sales	(349.628)	(43.020)	(59.388)	-	(452.036)
Gross profit	151.373	20.221	1.520	(3.747)	169.367
Marketing, selling and distribution expenses (-)	(61.772)	(14.110)	(2.902)	3.054	(75.730)
General administrative expenses (-)	(69.597)	(2.024)	(15.245)	616	(86.250)
Other income/(expenses), net (-)	(333.021)	215	4.385	79	(328.342)
Financial income	36.160	566	158.198	(4)	194.920
Financial expenses (-)	(59.500)	(2.099)	(84.708)	2	(146.305)
(Loss)/profit before income taxes	(336.357)	2.769	61.248	-	(272.340)

(*) 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**

	31 March 2012	31 December 2011
<u>Total Assets</u>		
Media ⁽¹⁾	4.414.332	4.669.494
Retail	125.494	-
Other	5.761.556	5.870.511
	10.301.382	10.540.005
Less: segment elimination ⁽²⁾	(2.002.818)	(1.891.934)
Total assets per consolidated financial statements	8.298.564	8.648.071
<u>Shareholder’s Equity</u>		
Media ⁽¹⁾	1.341.407	1.054.021
Retail	27.788	-
Other	4.499.108	4.579.413
Total	5.868.303	5.633.434
Less: segment elimination ⁽³⁾	(1.922.093)	(1.782.365)
Total shareholders’ equity per consolidated financial statements	3.946.210	3.851.069
Non-controlling interests	(921.148)	(812.031)
Total shareholder’s equity	3.025.062	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

	31 March 2012	31 March 2011
<u>Capital expenditures</u>		
Media	66.157	31.366
Retail	4.790	-
Other	60.007	42.454
Total	130.954	73.820
<u>Depreciation and amortizations</u>		
Media	43.875	52.130
Retail	1.674	-
Other	6.077	8.832
Total	51.626	60.962

f) Non-controlling interests

	31 March 2012			31 December 2011		
	Doğan Family	Other	Total	Doğan Family	Other	Total
Media	74.729	792.542	867.271	78.343	679.852	758.195
Retail	53	-	53	-	-	-
Other	6.918	46.906	53.824	6.923	46.913	53.836
	81.700	839.707	921.148	85.266	726.765	812.031

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NOTE 6 - CASH AND CASH EQUIVALENTS

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

	31 March 2012	31 December 2011
Cash	2.553	3.418
Banks		
- demand deposits	67.130	56.954
- time deposits	2.448.897	3.292.201
Blocked deposits	216.158	111.838
Reverse repurchase agreements	5.885	3.876
	2.740.623	3.468.287

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 0,5% and 6% (31 December 2011: 0,5% and 6,05%), 0,5% and 6,75% (31 December 2011: 1% and 6,05%) and 5,6% and 11,85% (31 December 2011: 5,7% and 12,7%), respectively and its maturity is shorter than 3 months.

Cash and cash equivalents amounting to TRY 34.887 (31 December 2011: TRY 36.247) at 31 March 2012 comprise of credit card slip receivables and TRY 181.271 (31 December 2011: TRY 75.591) of blocked deposits.

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

	31 March 2012	31 December 2011	31 March 2011	31 December 2010
Cash and cash equivalents	2.740.623	3.468.287	3.462.670	3.464.537
Accrued interest (-)	(8.767)	(10.460)	(11.751)	(5.708)
Cash and cash equivalents	2.731.856	3.457.827	3.450.919	3.458.829

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NOTE 7 - FINANCIAL INVESTMENTS
a) Current financial investments

	31 March 2012	31 December 2011
Government bonds and treasury bills	77.715	88.572
Time deposits	97.676	103.100
	175.391	191.672

Government bonds and treasury bills dominated in US Dollar and effective interest rate of government bonds and treasury bills is 4,43% (31 December 2011: 4,43%). Average annual effective interest rate of US Dollar denominated time deposits vary in between 1% and 9% (31 December 2011: %1-%6) and its maturity is longer than 3 months. As of 31 March 2012, there is no 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

	31 March 2012	31 December 2011
Valuation of interest rate swap agreements	1.904	4.606
Forward transactions	363	34
	2.267	4.640

c) Non-current financial investments
Available-for-sale financial investments

	31 March 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⁾	855	0,03	699	0,03
Other	916	-	914	-
Less: provision for impairment ⁽²⁾	(10.960)		(10.960)	
	5.888		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 31 March 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 31 March 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:	31 March 2012	31 December 2011
Short-term bank borrowings	368.996	489.993
Short-term portion of long-term borrowings	439.803	404.158
Interest bearing payables to suppliers	29.612	31.763
Financial lease liabilities	8.294	8.936
	846.705	934.850
Long term financial liabilities:	31 March 2012	31 December 2011
Long-term bank borrowings	1.226.845	1.351.125
Financial liabilities related with options	205.102	215.135
Interest bearing payables to suppliers	31.852	34.994
Financial lease liabilities	20.257	21.978
	1.484.056	1.623.232

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

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

	31 March 2012			31 December 2011		
	Annual interest rate (%)	Original foreign currency	TRY	Annual interest rate (%)	Original foreign currency	TRY
Short-term borrowings						
TRY bank borrowings	7,00 – 13,05	93.821	93.821	12,25 – 15,50	149.858	149.858
USD bank borrowings	4,15 – 6,75	115.102	204.065	4,50 – 6,75	128.684	243.071
EUR bank borrowings	1,76 – 7,54	28.794	68.137	5,79 – 9,69	39.718	97.064
Other		1.516	2.973			
Sub-total			368.996			489.993
Short-term portion of long-term borrowings						
TRY bank borrowings	4,83	3.003	3.003	12,25 – 15,50	3.005	3.005
USD bank borrowings	1,80 – 7,21	215.352	381.798	2,64 – 7,00	205.561	388.284
EUR bank borrowings	1,80 – 6,59	23.243	55.002	2,52 – 7,60	5.266	12.869
Sub-total			439.803			404.158
Total short-term borrowings			808.799			894.151
Long-term borrowings						
TRY bank borrowings	6,10 – 12,00	22.428	22.428	12,25 – 15,50	9.173	9.173
USD bank borrowings	4,31 – 6,87	667.724	1.183.808	2,64 – 7,00	695.915	1.314.514
EUR bank borrowings	1,80 – 7,35	8.709	20.609	2,52 – 6,90	11.228	27.438
Total long-term borrowings			1.226.845			1.351.125

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

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

Years	31 March 2012	31 December 2011
2013	222.433	357.584
2014	422.330	424.058
2015 and after	582.082	569.483
	1.226.845	1.351.125

As of 31 March 2012, the floating rate bank borrowings denominated in USD, which represent a significant portion of total bank borrowings of the Group, have interest rates fluctuating between Libor + 3,95% (London Interbank Offered Rate).

As of 31 March 2012, the floating rate bank borrowings denominated in TRY, which represent a significant portion of total bank borrowings of the Group, have interest rates fluctuating between Libor + 2,06% and Libor + 2,75% (London Interbank Offered Rate).

As of 31 March 2012, the floating rate bank borrowings denominated in EUR, which represent a significant portion of total bank borrowings of the Group, have interest rates fluctuating between Libor + 0,75% and Libor + 4,5% (London Interbank Offered Rate).

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 31 March 2012, bank borrowings with floating interest rates amounted to TRY 1.460.638 (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 Group 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. As of 31 December 2010, OOO Pronto Moscow has repaid the related amount that was classified under the long term liabilities account as at 21 April 2011 and the related repayment has released the blockage amount of USD 10.000 on 3 May 2011 (Note 17).

Other

Group's joint venture Boyabat Elektrik's construction of 513MW installed capacity dam-type hydroelectric power plant project at Black Sea coast near Sinop is expected to be completed 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, USD 750.000 amounted loan (A part) (USD 250.000 with Group's effective ownership share) is planned to be provided to Boyabat Elektrik. The remaining 30% of project cost will be financed with equity. As of 31 March 2012, the effective interest rate for loans denominated in US Dollar is 6,16%. (2011: 6,15%)

Financial commitments that must be met by Boyabat 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).

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

Group's joint venture Aslancık Elektrik's construction of 120 MWm /93 MWe installed capacity hydro energy production facility began in 2010 and scheduled to be completed in 2013. In this context, Aslancık Elektrik used TRY 166.344 amounted bank loan (TRY 55.442 with group effective ownership share) as of 31 March 2012 (31 December 2011: TRY 139.565 (TRY 46.517 with group effective ownership share)). Loan's maturity is 2022, interests will be paid on quarterly basis, principal and first interest will be paid six months after the project completion date, however; in any case they will be paid on six-month periods no later than 24 July 2014. Under the loan agreement signed on 24 January 2011, Group pledged the entire shares of Aslancık Elektrik on behalf of financial institutions.

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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 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 (15.000.000 (exact) shares) and 33% shares of Boyabat (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, USD 88.000 is presented as a financial liability in the consolidated financial statements. As per the put option agreement, the put option exercise price will be calculated by considering the initial price and the interest rate of 6,46%.

iii) Finance lease liabilities

The Group acquired property, plant and equipment through finance leases. As of 31 March 2012, total lease payment commitments of the Group relating to such short and long term lease agreements amount to TRY 28.511 (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 31 March 2012 and 31 December 2011 are summarized below:

	31 March 2012	31 December 2011
2013	6.102	7.375
2014	7.766	8.054
2015 and after	6.389	6.549
	20.257	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 1,11%, 1,54% and 1,18%, 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 31 March 2012 and 31 December 2011 is as follows:

	31 March 2012	31 December 2011
2013	24.879	27.794
2014	5.179	7.200
2015 and after	1.794	-
Total	31.852	34.994

The Group's short-term financial liabilities to suppliers issued at variable interest rates are amounting to TRY 29.612 (31 December 2011: TRY 31.763) and long-term financial liabilities TRY 31.852 as of 31 March 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:

	31 March 2012	31 December 2011
6 months and less	61.464	66.757
6-12 months	-	-
Total	61.464	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 9 - TRADE RECEIVABLES AND PAYABLES

<u>Short-term trade receivables</u>	31 March 2012	31 December 2011
Trade receivables	868.090	836.038
Notes and cheques receivable	38.547	36.086
Total	906.637	872.124
Less: unearned financial income due to sales with maturity	(9.947)	(13.081)
Less: provision for doubtful receivables	(178.841)	(179.391)
	717.849	679.652

In the media segment of the Group, the average maturity of not overdue trade receivables is between 71 and 94 days as of the balance sheet date (31 December 2011: 67-91 days). The maturity of trade receivables of the Group changes and discount rate of trade receivables of the group changes between 10% and 14,4% (31 December 2011: 10%-14,4%).

In the retail segment of the Group, the average maturity of not overdue trade receivables is 90 days as of the balance sheet date (31 December 2011: 89 days). Average discount rate of trade receivables is 14,4% (31 December 2011: 14,4%).

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

<u>Long-term trade receivables</u>	31 March 2012	31 December 2011
Trade receivables, net	136.289	133.253
Notes receivables, net	235	274
	136.524	133.527

Group's long-term trade receivables arise from DD Konut Finansman, long-term notes receivables result from Milpa 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 from continued operations in the current period (Note 22)	(3.035)	(2.659)
Provision booked from discontinued operations	-	(1.214)
Collections from continued operations	3.687	1.359
Currency translation differences	(102)	(1.327)
31 March	(178.841)	(197.503)

Aging analysis of trade receivables

As of 31 March 2012, trade receivables of amounting to TRY 250.133 (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 31 March 2012, the Group has letters of guarantee, guarantee notes, guarantee cheques and mortgages amounting to TRY 106.212 (31 December 2011: TRY 64.135) related to trade receivables amounting to TRY 717.849 (31 December 2011: TRY 679.652).

The guarantees received for the total trade receivables of the Group amounting to TRY 717.849 as of 31 March 2012 (31 December 2011: TRY 679.652) consist of bank guarantee letter amounting to TRY 4.425 (31 December 2011: TRY 3.169), bails and mortgages amounting to TRY 93.726 (31 December 2011: TRY 49.619) and cheques and bonds amounting to TRY 8.061 (31 December 2011: TRY 11.347). Bank guarantee letter amounting to TRY 274, bails and mortgages amounting to TRY 20.546, cheques and bonds amounting to TRY 5.208 and receivable insurance amounting to TRY 2.886 are received for the past due but not impaired receivables (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).

Short-term trade payables

	31 March 2012	31 December 2011
Trade payables	377.204	446.043
Notes payable	6.492	3.071
Other	295	284
Less: deferred financial expense due to purchase with maturity	(3.796)	(4.401)
	380.195	444.997

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

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NOTE 10 – OTHER RECEIVABLES

	2012	2011
Other short-term receivables		
Notes receivable ^{(1) (3)}	104.757	29.916
Deposits and guarantees given	1.401	4.722
Other miscellaneous receivables	475	220
	106.633	34.858
Other long-term receivables		
Notes receivable ^{(1) (2) (3)}	479.611	398.210
Deposits and guarantees given	1.750	1.598
Other miscellaneous receivables	21	41
	481.383	399.849

- (1) TRY 26.388 (31 December 2011: TRY 29.916) of short-term notes receivables and TRY 52.811 (31 December 2011: TRY 63.908) of long-term notes receivables are composed from the sales of shares of Bağımsız Gazeteciler and all Milliyet brand, royalties and internet domain names to DK Gazetecilik ve Yayıncılık A.Ş at 2 May 2011.
- (2) Including the accrued interest, TRY 313.886 (USD 176 million excluding interest) of long term notes receivables as of 31 March 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). 3,58% annual interest rate is applied to the related amount. The maturity of the receivable is November 2013. Doğuş Holding A.Ş. has become the guarantor for the related receivable.
- (3) TRY 78.369 of short-term notes receivables and TRY 112.914 of long-term notes receivables are composed from the sales regarding the properties that consist of 58.609,45 m2 land and buildings, including the building that has been used as company headquarters (Hürriyet Media Towers) to Nurol Gayrimenkul Yatırım Ortaklığı A.Ş as of 27 January 2012.

NOTE 11 - INVESTMENT PROPERTY

The movements in investment property during the interim periods ended 31 March 2012 and 2011 are as follows:

	2012	2011
1 January	148.601	141.800
Additions	6.543	2.992
Depreciation	(412)	(841)
Disposals	(8.066)	(3.239)
Currency translation differences	(2.738)	6.049
Impairment (provision) / reversal (Note 22)	1.389	(193)
31 March	145.317	146.568

There is no collateral and mortgage on investment property of the Group. The fair value of investment property of the Group as of 31 March 2012 is TRY 232.972 (31 December 2011: TRY 231.007). The group has rent income amounting to TRY 1.386 from investment property (2011: TRY 678) (Note 22). Direct operating costs in the current period resulting from investment property is TRY 107 (31 March 2011: TRY 38).

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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 31 March 2012 and 2011 are as follows:

	2012	2011
1 January	1.217.645	929.330
Additions to construction in progress(1)	60.524	35.027
Other additions	42.858	18.524
Depreciation (-)	(29.617)	(33.356)
Disposals (-)	(14.932)	(10.079)
Transfers (2)	8.700	3.566
Currency translation differences	(258)	5.057
31 March	1.284.920	948.069

- (1) TRY 38.513 of 60.524, additions in investments in progress, belongs to Boyabat Elektrik's, TRY 8.502 of it belongs to Aslançık Elektrik's investments in progress.
- (2) Transfer amounting to TRY 6.660 belongs to advances given. Transfer amounting to TRY 2 belongs to intangible assets and TRY 2.042 belongs to non-current assets held for sale.

There is mortgage amounting to TRY 357.507 (31 December 2011: TRY 420.254) on the property, plant and equipment as of 31 March 2012. The carrying amount of the property, plant and equipment of the Group acquired thorough finance leases as of 31 March 2012 is TRY 51.589 (31 March 2011:63.865). The accumulated depreciation as of 31 March 2012 is TRY 25.565 (31 March 2011: 30.602).

The Group has no discontinued operations as of 31 March 2012. Also, TRY 1.685 of depreciation and amortization arising from the brand sales of Bağımsız Gazeteciler and Milliyet realised on 2 May 2011 and TRY 6.318 arising from the sale of Işıl TV realised on 3 November 2011 of the Group is classified under discontinued operations.

Also, TRY 1.685 of depreciation and amortization arising from the brand sales of Bağımsız Gazeteciler and Milliyet realised on 2 May 2011 and TRY 6.318 arising from the sale of Işıl TV realised on 3 November 2011 of the Group is classified under discontinued operations.

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

b) Intangible Assets

Movement for intangible assets and related amortization for the interim periods ended at 31 March 2012 and 2011 are as follows:

	2012	2011
1 January	662.930	787.187
Additions	14.289	5.258
Amortization (-)	(11.357)	(12.622)
Disposals (-)	(1.784)	(100)
Transfers (-)	2	116
Provision for impairment (-)	-	-
Currency translation differences	23.591	37.374
31 March	687.671	817.213

As of 31 March 2012, Group has liens amounting to TRY 231.773 over the rights of name (trademark) within the context of loan agreement.

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 31 March 2011 also have been classified into discontinued operations in accordance with the principle of consolidated 31 March 2012 financial statements’ comparison. Depreciation regarding those operations amounting to TRY 4.431 has been classified into discontinued operations.

Movement for television program rights and related amortization for the interim periods ended at 31 March 2012 and 2011 are as follows:

	2012	2011
1 January	64.296	72.148
Additions	6.740	12.019
Amortization (-)	(10.240)	(14.143)
Provision for impairment (-)	(85)	-
Currency translation differences	(218)	1.131
31 March	60.493	71.155

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NOTE 13– GOODWILL

Movement of the goodwill for the three-months periods interim ended as of 31 March 2012 and 2011 is as follows:

	2012	2011
1 January	539.951	896.653
Currency translation differences	3.299	14.497
Other (*)	2.341	1.507
31 March	545.591	912.657

(*) 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 10.291 and domestic equipments amounting to TRY 1.078 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 6.645 for imported equipments and TRY 598 for domestic equipments are realized within these certificates as of 31 March 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 164 (2011: TRY 149) is reflected in the financial statements as income from other operations. Ditaş obtained incentive certificate 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	31 March 2012	31 December 2011
Provision for withholding tax	22.130	22.130
Provision for lawsuits	22.674	21.957
Other	266	6
	45.070	44.093

(a) 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. The liability and expense amounts of the Group are summarized below;

Undue and on trial tax liabilities in dispute

Under the requirements of of Law No. 6111, Doğan Holding and its subsidiaries will have a cash outflow amounting to TRY 990.503, including interest. TRY 37.430 portion of the related amount is paid in cash as of 30 June 2011 under the requirements of law no: 6111. TRY 124.314 of deferred finance expense is calculated for the remaining portion of TRY 953.073 which will be paid in 18 installments in 36 months. As of 31 March 2012, the Company has made a payment of TRY 355.121 in total (TRY 299.636 of principal amount and TRY 55.485 of interest) regarding its “undue and on trial tax liabilities in dispute” in accordance with Law No: 6111; the outstanding long and short term principal and interest liability subsequent to the related payment amounts to TRY 635.382. TRY 68.830 of deferred finance expense is calculated and recognized as net (TRY 566.552) under other short-term liabilities and other long-term liabilities accounts. TRY 16.890 of interest expense for the interim period 1 January-31 March 2012 is recognized under finance expenses (Note 17, 24).

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NOTE 15 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)
(a) Tax penalty and law suits: (Continued)
Tax base increase

In accordance with the related provisions of “tax base increase” of Law No: 6111, tax base has been increased for years 2006, 2007, 2008 and 2009; and as a result of this process, Doğan Holding and its subsidiaries will have a cash outflow amounting to TRY 99.932, including interest. TRY 66.040 portion of the related amount is paid in cash as of 30 June 2011 under the requirements of law no: 6111. TRY 4.421 of deferred finance expense is calculated for the remaining portion of TRY 33.892 which will be paid in 18 installments in 36 months. As of 31 March 2012, the Company has made a payment of TRY 77.337 in total (TRY 75.364 of principal amount and TRY 1.973 of interest) in accordance with Law No: 6111; the outstanding long and short term principal and interest liability subsequent to the related payment amounts to TRY 22.595. TRY 2.448 of deferred finance expense is calculated for the remaining portion and recognized as net (TRY 20.147) under other short-term liabilities and other long-term liabilities accounts. TRY 601 interest expense for the interim period 1 January-31 March 2012 is recognized under finance expenses (Note 17, 24).

(b) Law Cases:

The details of litigations against Group are amount of TRY 66.323 (31 December 2011: TRY 78.999).

	31 March 2012	31 December 2011
Civil lawsuits	46.078	54.987
Commercial lawsuits	9.366	9.647
Business lawsuits	7.695	7.936
Other	3.184	6.429
Total	66.323	78.999

A provision for lawsuits filed against the Group whose details are given above amounting to TRY 22.674 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.

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

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 Doğan TV Holding or not.

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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):

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

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 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. 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 in each period. The Amendment also allows Axel Springer another put option exercisable for 34.183.593 shares for the period subsequent to 2015 in consideration of EUR 50.000.

- 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 per share is updated as EUR 1,46269 because of the increase in the share capital of Doğan TV Holding.

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.

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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 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.

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.

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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 31 March 2012 is TRY 421.530 (31 December 2011: TRY 434.962) which is the discounted amount at the accompanying consolidated balance sheet. TRY 140.510 of that amount is represented in “other short-term financial liabilities” and TRY 281.020 of it is represented in “other long-term financial liabilities”

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

(d) Put options:

In January 2007, OOO Pronto Moscow, a subsidiary of Hürriyet, acquired the majority shares of Impress Media Marketing LLC (“Impress Media”). Accordingly, the Group has the right to purchase 13% of non-controlling shares from non-controlling shareholders without a time constraint, provided that certain conditions are met. Additionally, the Group has signed a new put option agreement valid between August 2011 and August 2015 for the remaining non-controlling shares of 10%. Net fair value of such option shall be calculated based on Impress Media's EBITDA or net sales revenue. Group, pursuant to an agreement signed in September 2010, has had the option to purchase the remaining 3% share in the capital. The fair value of the option will be determined based on calculation over Impress Media EBITDA, according to gradually increase of Impress Media EBITDA, shall be had the option to the rate of 14% of the shares sold, to the rate of 14% of the purchase the new shares. As of 31 March 2012, the short-term portion of the fair value of the put option is TL 1.103 (31 December 2011: TL 1.205), long-term portion is nil as of 31 March 2012 (31 December 2011: None).

Hürriyet has granted a put option, on the 30% shares outstanding during the acquisition of 70% interest of the shares in its subsidiary Oglasnik d.o.o in Croatia. Discussions concerning the use of this option as of the reporting date of these financial statements are still ongoing. As of 31 March 2012, the fair value of the option is calculated as TRY 14.183 (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.

Hürriyet has acquired a 55% share in Moje Delo d.o.o. (“Moje Delo”) in Slovenia. The Group has set and paid an earn-out amounting to EUR 1 million during the period. The Group has granted a call option to the selling shareholders on the remainder of the shares exercisable from January 2009 to January 2012 and has a call option exercisable from January 2011 to January 2014. Exercise price shall be calculated based on EBITDA and the net financial debt of Moje Delo. The fair value of the call option is TRY 5.299 as of 31 March 2012 (31 December 2011: TRY 2.899) and classified in “Other short-term financial liabilities”.

As at 21 March 2012, Hürriyet transferred GDR’s that are in dispute in relation to the use of the put option amounting to USD 25 Million to a third party legal entity and as a result arbitration application of Hürriyet has been withdrawn. Accordingly, Hürriyet bears no liability in relation to the related put option and the effect of the related transaction is recognized under equity.

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

(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.

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.

(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 (14 January 2011: TRY 44.765) 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, company's proportion of the land is 54,79%.

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

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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 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.

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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 31 March 2012 and 31 December 2011 are as follows:

	31 March 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⁾	495.910	107.817	8.744	157.015	2.790	135.093	111.380	7.717	3.332	2.575
Pledge ⁽²⁾	226.354	226.354	-	-	-	226.354	226.354	-	-	-
Mortgage ⁽³⁾	357.507	342.125	-	6.500	-	420.254	404.369	-	6.500	-
B CPM's given on behalf of the fully consolidated companies										
Guarantee ^{(1) (4)}	2.584.559	10.616	1.347.314	65.300	15.689	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	3.664.330					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 and 33,33% (15.000.000 (exact) shares) of Aslançık shares 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 Aslançık 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 16.826 over the tangible fixed assets of Group's subsidiary Hürriyet as of 31 March 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 31 March 2012, Boyabat Elektrik used USD 720.333 amounting loan portion provided (31 December 2011:USD 674.333). Doğan Holding has bail amounting to USD 30.921 given to credit institutions within the scope of Aslançık Elektrik's hydroelectric power plant construction that is planned to be completed in 2013 (31 December 2011: USD 24.354).

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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 31 March 2012 (31 December 2011: 0,0%). The breakdown of letters of guarantees and guarantees notes given by the Group are as follows:

	31 March 2012		31 December 2011	
	Original foreign currency	TRY amounts	Original foreign currency	TRY amounts
Letters of guarantee – EUR	179.349	424.411	37.431	91.474
Letters of guarantee – TRY	109.819	109.819	114.529	114.529
Letters of guarantee – USD	10.741	19.043	14.099	26.632
Letters of guarantee – Other	2.790	1.029	2.575	995
Guarantee notes – TRY	1.278	1.278	204	204
Guarantee notes – EUR	791	1.872	25	61
Guarantee notes – USD	486	862	-	-
Total		558.314		233.895

Doğan TV, one of the subsidiaries of Doğan Yayın Holding, has given letters of guarantees amounting to EUR 23.000 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.

(b) Barter agreements

Doğan Yayın 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 31 March 2012, the Group has a commitment for the publication of advertisements amounting to TRY 24.066 (2011: TRY 22.130) in exchange for purchasing goods and services and has an option to purchase goods and services amounting to TRY 13.975 (2011: TRY 18.567) in exchange of the goods or services sold.

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NOTE 16 - COMMITMENTS (Continued)***(c) 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 31 March 2012 and 31 December 2011 are as follows:

	31 March 2012		31 December 2011	
	Original foreign currency	TRY amounts	Original foreign currency	TRY amounts
Bails – EUR	42.175	99.803	54.280	132.649
Bails – USD	1.344.831	2.384.251	1.415.817	2.674.337
Bails – TRY	7.336	7.336	129.056	129.056
Bails – CHF	15.689	30.765	-	-
Mortgages – EUR	6.500	15.382	6.500	15.885
Mortgages – TRY	342.125	342.125	404.369	404.369
Total		2.879.662		3.356.296

NOTE 17 - OTHER ASSETS AND LIABILITIES

	31 March 2012	31 December 2011
Other current assets		
Blocked deposits ⁽¹⁾	62.212	79.763
Programme stocks	21.184	63.198
Value Added Tax ("VAT") receivable	39.718	35.309
Prepaid expenses	26.857	21.322
Advances given	17.107	20.545
Personnel advances	13.588	13.894
Prepaid taxes	14.148	12.237
Work advances	6.175	5.347
Income accruals	7.203	4.687
Tax receivables	593	515
Other	18.799	16.470
	227.584	273.287
Provision for impairment for programme stocks	(1.081)	(1.081)
	226.503	272.206
Other non-current assets		
Long term restricted deposits ⁽²⁾	379.516	132.425
Value Added Tax ("VAT") receivables	176.648	167.805
Advances given and prepayments ^{(3) (4) (5)}	53.925	62.657
Prepaid expenses	3.772	5.217
Deposits and guarantees given	114	22
Other	6.629	5.803
	620.604	373.929

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NOTE 17 - OTHER ASSETS AND LIABILITIES (Continued)

- (1) As of 31 March 2012, Doğan Holding’s time deposit amounting to USD 35.000 has been blocked to be guarantee for the loans used by Mozaik (As of 31 December 2011, Doğan Holding’s USD 25.000 and USD 15.000 were blocked to be guarantee for the loans used by Hürriyet and Mozaik, respectively.)
- (2) As of 31 March 2012, Doğan Holding’s time deposits amounting to USD 70.000 and USD 10.000 have been blocked to be guarantee for the loans used by TME and Mozaik, respectively. Additionally, 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 2010, Hürriyet’s time deposit amounting to USD 10.000 has been blocked to be guarantee for the loans used by Hürriyet’s subsidiaries. Due to restructuring of the loan, it was dissolved as at 3 May 2011.) (Note 8).
- (3) Advances given and prepayments amounting to TRY 31.719 (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 12.220 (31 December 2011: TRY 18.844) of advances and prepayments are advances given for Group’s joint ventures Boyabat and Aslancık’s fixed asset purchase.

Other current liabilities

	31 March 2012	31 December 2011
Provision for tax liability in dispute regarding 6111 law (Note 15)	268.050	264.484
Deferred revenue	43.577	45.909
Provision for unused vacation liability	36.123	33.351
Expense accruals	44.686	17.264
Tax base increase liability regarding 6111 law (Note 15)	9.532	9.405
Provision for broadcasted programmes	2.187	3.306
Arbitration Liability (1)	-	22.412
Other	15	36
	404.170	396.167

Other non-current liabilities

	31 March 2012	31 December 2011
Provision for tax liability in dispute regarding 6111 law (Note 15)	298.502	391.076
Tax base increase liability regarding 6111 law (Note 15)	10.615	13.907
Other non-current liabilities	1	8
	309.118	404.991

- (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.

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

SELECTED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 31 MARCH 2012

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

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 31 March 2012 and 31 December 2011 are as follows:

	31 March 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 is Doğan Family and the shareholders of Holding and the historical values of shares in equity at 31 March 2012 and 31 December 2011 are as follows:

Shareholder	Share %	31 March 2012	Pay %	31 December 2011
Adilbey Holding A.Ş.	52,68	1.290.679	52,68	1.290.679
Doğan Family ⁽¹⁾	14,20	347.864	13,94	341.597
Other Shareholders (publicly traded on ISE) ⁽²⁾	33,12	811.457	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 14,20% (TRY 347.864) as a result of purchasing 6.800.000 shares from ISE on 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 32,58 % of the shares (31 December 2011: 32,46%) are outstanding as of 31 March 2012 based on the Central Registry Agency’s (“CRA”) records. 34,29% of Doğan Yayın 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.

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NOTE 18 – EQUITY (Continued)

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 31 March 2012 that amount is TRY 1.450.139 (31 December 2012: TRY 1.450.139). There is no restriction to add these reverses except first reserves to equity.

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 arised due to implementing the communiqué (such as inflation adjustment differences) shall be disclosed as follows:

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

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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 18 - EQUITY (Continued)

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 (2009: 20%). 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.

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.

At the board meeting of the Board of Directors of Doğan Holding at 12 April 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 International Accounting Standards and International Financial Reporting Standards, 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”.

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.**SELECTED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD ENDED 31 MARCH 2012**

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

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

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. As of 31 December 2011, 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. Since the Company has not made the General Assembly meeting for the year 2011 and the transfer of prior years’ profits to capital accounts has not been completed, presentation of distributable profit amounts partaking in legal reserves has not been changed.

The shareholders equity of Doğan Holding is as below:

	31 March 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	(4.991)	(4.056)
Translation reserve	41.743	67.538
Restricted reserves assorted from profit	1.450.139	1.450.139
- <i>Legal reserves</i>	127.739	127.739
- <i>Inflation adjustment differences to legal, extraordinary and other reserves, share premiums⁽¹⁾</i>	1.322.400	1.322.400
Retained earnings	(1.079.589)	(311.595)
Net income/(loss) for the period	23.604	(757.144)
Total shareholders’ equity	3.025.062	3.039.038

- (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.

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.**SELECTED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD ENDED 31 MARCH 2012**

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

NOTE 19- SALES AND COST OF SALES

	1 January- 31 March 2012	1 January - 31 March 2011
Domestic Sales	707.185	662.389
Foreign Sales	151.477	92.994
Sales returns	(83.915)	(102.155)
Sales discount	(29.159)	(31.825)
Net sales	745.588	621.403
Cost of sales (-)	(563.644)	(452.036)
Gross Profit	181.944	169.367

Sales income and cost of sales

The details of operating revenue for the interim periods ended 31 March 2012 and 2011 are disclosed in Note 5 - Segment Reporting.

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

	1 January- 31 March 2012	1 January - 31 March 2011
Selling, marketing and distribution expenses	87.089	75.730
General administrative expenses	94.133	86.250
Operating expenses	181.222	161.980

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.**SELECTED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD ENDED 31 MARCH 2012**

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

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 31 March 2012 and 2011 are as follows:

	1 January- 31 March 2012	1 January - 31 March 2011
Personnel expenses	143.246	126.352
Cost of trade goods sold	215.014	117.070
General production overhead	89.122	72.371
Raw material and supplies	83.060	101.168
Depreciation expenses ^{(1) (2)}	51.507	56.400
Advertisement expenses	14.204	15.281
Radio and Television Supreme Council share in advertisement	4.133	5.688
Transportation, storage and travel expenses	15.631	14.925
Satellite usage fees	5.979	4.836
Expenses related to telecommunication services	29.631	18.487
Miscellaneous tax expenses	2.278	1.202
Communication expenses	2.818	2.551
Non-deductible expenses	2.765	2.237
Rent expenses	13.216	9.010
Consulting expenses	10.573	10.336
Other	61.689	56.102
	744.866	614.016

(1) As of 31 March 2012, TRY 119 (31 March 2011: TRY 131) of depreciation and amortization expenses and redemption is reflected in stocks.

(2) TRY 1.272 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 31 March 2011 financials. TRY 3.159 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 31 March 2011 financials.

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.**SELECTED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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NOTE 22 - OTHER INCOME/EXPENSES

	1 January - 31 March 2012	1 January - 31 March 2011
Other income:		
Gain on sales of property, plant and equipment and intangible assets ⁽¹⁾	144.020	1.303
Profit from sale of subsidiary share	2.332	-
Reversal of provision of tax penalties	-	3.616
Terminated provisions	4.635	2.430
Rent income (Note 11)	1.386	678
Reversal of investment property impairment provision (Note 11)	1.389	-
Profit from sales of available for sale financial asset (2) (Note 7)	-	11.278
Other income	2.263	1.368
	156.025	20.673

(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.

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

	1 January - 31 March 2012	1 January - 31 March 2011
Other expenses:		
Provision for doubtful receivables (Note 9)	(3.035)	(2.659)
Provision for lawsuits	(2.616)	(3.006)
Loss on sale of property, plant and equipment	(1.961)	(2.046)
Other penalties and compensations paid	(1.395)	(1.863)
Tax base increase (1)	-	(79.405)
Competition authority penalty	-	(4.923)
Tax liability in dispute	-	(249.885)
Other	(6.645)	(5.228)
	(15.652)	(349.015)

(1) TRY 5.901 of tax base increase expense is recognized under the discontinued operations as of 31 March 2011.

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.**SELECTED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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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 23 – FINANCIAL INCOME

Financial income for the interim periods ended as at 31 March 2012 and 2011 are as follows:

Financial income:	1 January- 31 March 2012	1 January - 31 March 2011
Foreign exchange gain	596.159	132.664
Interest income on bank deposits (1)	55.360	47.060
Deferred finance expense and credit finance income due to purchase with maturity (2)	25.337	13.214
Other interest and commissions	12.010	1.982
	688.866	194.920

- (1) TRY 25 of interest income on bank deposits is recognized under discontinued operations at 31 March 2011.
(2) TRY 1.310 of finance income from sales with maturity is recognized under discontinued operations at 31 March 2011.

NOTE 24 - FINANCIAL EXPENSE

Financial expense for the interim periods ended as at 31 March 2012 and 2011 is as follows:

Financial expense:	1 January- 31 March 2012	1 January - 31 March 2011
Foreign exchange loss	(637.942)	(107.228)
Interest expenses		
- Interest expense on bank borrowings (1)	(23.911)	(30.106)
- Tax liability in dispute finance expense regarding 6111 law	(16.890)	-
- Tax base increase finance expense regarding 6111 law	(601)	-
Deferred finance income and credit finance expense due to sales with maturity (2)	(14.105)	(7.167)
Other	(13.067)	(1.804)
	(706.516)	(146.305)

- (1) TRY 1.162 of interest expense on bank borrowings is recognized under discontinued operations at 31 March 2011.
(2) TRY 344 of deferred finance expense from purchases with maturity is recognized under discontinued operations at 31 March 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 31 March 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 31 March 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 31 March 2012 and for the year ended 31 December 2011. Net income/ (loss) as of 31 March 2011 is TRY 46.772 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.

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 Bağımsız Gazeteciler and Milliyet Brand (Continued):***

Operating results and sale proceeds of subsidiaries up until disposal of Bağımsız Gazeteciler and Milliyet are detailed as follows:

	31 March 2011
Sales	34.839
Cost of sales (-)	(27.993)
Gross profit	6.846
Marketing, sales and distribution expenses (-)	(15.600)
General administration expenses (-)	(4.276)
Other operating income/ expenses (net)	(2.191)
Financial income/ expenses (net)	(439)
Loss before income tax from discontinued operations	(15.660)
Tax (expense) from discontinued operations	(136)
Current year tax charge	-
Deferred tax (charge)	(136)
Net loss from discontinued operations prior to sale proceeds from the disposal of brand and subsidiary shares	(15.796)
Gain on sale of brand and subsidiary shares	-
Sales income tax expense	-
Discontinued operations	
Net loss from discontinued operations (after income taxes)	(15.796)

Cash used in discontinued operations:

	31 March 2011
Net cash (used in) operating activities	1.151
Net cash provided by investing activities	251
Net cash provided by financing activities	(940)
Net cash inflow	462

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)****30 April 2011**

Amount received	93.655
Carrying value of net assets	(77.066)

Sales income **16.589**

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**

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

Non-current assets **102.598**

Property, plant and equipment	1.128
Intangible assets	51.952
Goodwill	47.757
Investment property	159
Other non-current assets	1.602

Current liabilities **15.300**

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**

Other payables	6
Provision for employee termination benefits	11.092
Deferred tax liability	3.649

Net assets disposed of from scope of consolidation **77.067****Gain from sale ⁽¹⁾** **16.589**

- (1) Carrying value of the net assets from discontinued operations increased and the gain from sale decreased by TRY 2.870 compared to the amount previously reported with the clarification in the provision amount after the sales date until the balance sheet date.

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.**SELECTED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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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 25 - NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS (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, is payable in cash at the date of the completion of share sale and transfer subsequent to obtaining the required legal permits and approvals and the remaining amount (USD 176.000) is payable in installments in 2 years. All income and expenses attributable to Işıl Televizyon Yayıncılık A.Ş. relate to the Group by 3 November 2011. The Group also makes 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 31 March 2011, operating results and profit from the sale of shares of Işıl TV are presented below:

	31 March 2011
Sales	49.590
Cost of sales (-)	(65.700)
Gross profit	(16.110)
General administrative expenses (-)	(3.874)
Selling, marketing and distribution expenses (-)	(3.909)
Other income	181
Other expense	(3.499)
Financial income	5.129
Financial expense	(6.858)
Loss before income tax from discontinued operations	(28.941)
Tax (expense) from discontinued operations	(3.676)
Current year tax charge	-
Deferred tax (charge)	(3.676)
Net loss from discontinued operations prior to sale proceeds from the disposal of brand and subsidiary shares	-
Gain on sale of subsidiary shares	-
Sales income tax expense	-
Discontinued operations	
Net loss from discontinued operations (after income taxes)	(32.617)
Cash used in discontinued operations:	
	31 March 2011
Net cash (used in) operating activities	(854)
Net cash (used in) investing activities	(669)
Net cash provided by financing activities	2.300
Net cash inflow	777

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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 25 - NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED
OPERATIONS(Continued)****Star TV Sale (Continued)****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
Other payables	-
Provision for employee 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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(Amounts expressed in thousands of Turkish Lira ("TRY") unless otherwise indicated. Currencies other than TRY, expressed in thousands unless otherwise indicated.)

NOTE 25 - NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS (Continued)**b) Assets held for sale:**

Non-current assets totaling TRY 5.985 (31 December 2011: TRY 80.687) reclassified as investment property in the consolidated financial statements of the Group for the period ended 31 March 2012 in accordance with the IFRS, are as follows.

Property, Plant and Equipment sale of OOO Pronto Moscow and Rosprint Samara

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 as of 31 March 2012 and 31 December 2011 is as follows:

Property, Plant and Equipment	31 March 2012	31 December 2011
Cost		
Land and land improvements	1.350	1.424
Buildings	3.161	3.231
Machinery and equipment	14.233	13.599
Furniture and fixtures	99	94
Construction in progress	156	147
	18.999	18.495
Accumulated depreciation		
Land and land improvements	-	-
Buildings	(468)	(441)
Machinery and equipment	(12.447)	(11.716)
Furniture and fixtures	(99)	(94)
	(13.014)	(12.251)
Net book value	5.985	6.244

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NOTE 25 - NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS (Continued)***Sale of Property, Plant and Equipment of Hürriyet***

In 2011 The Company began the operations relating to sale of real property including the company headquarters used for 28 years which correlated with Turkey in segmental reporting and finished the operations on 31 January 2012 in order to mitigate its financial debts. The Company classified the mentioned real properties into assets held for sale as per IFRS 5 in the financial statements in accordance with IFRS.

Gain from sale exceeded the carrying value of related asset; therefore, no provision for loss was recognized for the above mentioned operations held for sale.

Property, plant and equipment reclassified as asset held for sale as of 31 March 2012 and 31 December 2011 is as follows:

Property, Plant and Equipment	31 March 2012	31 December 2011
Cost		
Land and land improvements	8.117	10.476
Buildings	100.006	97.647
	108.123	108.123
Accumulated depreciation		
Land and land improvements	(318)	(318)
Buildings	(33.362)	(33.362)
	(33.679)	(33.680)
Change in net book value (1)	4.276	-
Net book value of asset disposed of	(78.719)	-
Net book value	-	74.443
Sales amount of property plant and equipment disposed of	221.624	-
Gain on sales of property, plant and equipment (Note 22)	142.905	-

(1) Nurol Gayrimenkul Yatırım Ortaklığı A.Ş. acquired Hürriyet Media Towers, consisting of 4 properties, in consideration of USD 127.500 on 27 January 2012. Based on the reviewing of fixed assets, an additional net book value of fixed assets amounting to TRY 4.275 should be disposed of.

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

- a) The Group has transferred its shares in its subsidiary, Pronto Peterburg to the company according to the Russian statutory legislation in the current period and left the partnership.

Net book value of assets disposed	31 March 2012
Current assets	
Cash and cash equivalents	84
Trade receivables	225
Inventories	28
Other receivables	45
Other current assets	95
Non-current assets	
Property, plant and equipment	85
Intangible assets	15
Deferred tax asset	108
Current liabilities	
Trade payables	(208)
Provisions	(168)
Other current liabilities	(317)
Net assets disposed	(8)
Consideration:	
Consideration paid in cash and cash equivalents	-
Deferred sales proceeds	100
Net cash inflow on disposal:	
Consideration paid in cash and cash equivalents	-
(Less) cash and cash equivalent balances disposed of	(84)

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

SELECTED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 31 MARCH 2012

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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.

	31 March 2012	31 December 2011
Corporate and income taxes payable	29.326	38.858
Deferred tax liabilities, net	57.617	48.226
Total	86.943	87.084

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.

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.

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 10th 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. In accordance with the provisions of the aforementioned 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 March 2012, the Company has offset its financial losses attributable to the calculation of offsetting of tax asset against deductible financial losses or current tax provision in accordance with the above-mentioned principles.

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

Exemption for participation in subsidiaries

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

Issued premiums exemption

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

Exemption for participation into foreign subsidiaries

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

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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.

Brokerage houses and real estate companies engaged in trading and the leasing of real estates cannot benefit from the exemption.

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 31 March 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	Ukraina ⁽²⁾	21,0
Romania	16,0	Hungary ⁽³⁾	19,0
England	28,0	Slovenya	20,0
Croatia	20,0	Belarus	18,0
Kazakhstan	20,0	Hollanda	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.

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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 31 March 2012 and 31 December 2011 using the enacted tax rates is as follows:

	Cumulative temporary differences		Deferred tax assets / (liabilities)	
	31 March 2012	31 December 2011	31 March 2012	31 December 2011
Differences between the tax base and carrying value of property, plant and equipment and intangible assets	40.188	96.487	8.038	17.628
Carry forward tax losses	80.751	44.915	15.569	9.290
Provision for doubtful receivables	39.034	31.662	7.962	8.104
Provision for employment termination benefits	50.381	49.311	10.076	9.884
Derivative financial liabilities	4.568	6.610	914	1.322
DSİ cost of water usage rights' accrual	29.662	27.774	5.932	5.555
Other	131.272	115.679	29.176	24.372
Deferred tax assets			77.667	76.155
Differences between the tax base and carrying value of property, plant and equipment and intangible assets	(638.820)	(637.574)	(130.525)	(122.178)
Derivative financial assets	(2.267)	(4.640)	(453)	(928)
Other	(21.352)	(6.817)	(4.306)	(1.275)
Deferred tax liabilities			(135.284)	(124.381)
Deferred tax liabilities, net			(57.617)	(48.226)

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 80.751 of carry forward tax losses in the consolidated financial statements prepared in accordance with the CMB’s Financial Reporting Standards as at 31 March 2012 (31 December 2011: TRY 44.915). As of 31 March 2012 and 31 December 2011, the maturity analysis of carry forward tax losses is as follows:

	31 March 2012⁽¹⁾	31 December 2011
2012	808	706
2013	907	1.231
2014	15.511	21.780
2015	18.156	21.198
2016 and after	45.369	-
	80.751	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 31 March 2012, the Group does not recognise deferred tax from carry forward tax losses amounted to TRY 1.089.872 (31 December 2011: TRY 1.150.784).

Movements for net deferred taxes for the periods ended at 31 March 2012 and 2011 are as follows:

	2012	2011
1 January	(48.226)	(31.099)
Deferred tax effect of financial assets fair value increase	263	-
Current year (expense)/income	(6.789)	3.473
Discontinued operation current period charge	-	(3.812)
Currency translation differences	(2.865)	(8.511)
31 March	(57.617)	(39.949)

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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 31 March 2012 and 2011 are summarized below:

	31 March 2012	31 March 2011
Current	(37.066)	(42.251)
Deferred	(6.789)	3.473
Taxes on income	(43.855)	(38.778)

The reconciliation of the taxation on income in the consolidated income statement for interim periods ended 31 March 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:

	31 March 2012	31 March 2011
Profit before taxation from continued operations	123.445	(272.340)
Tax calculated at 20% tax rate	(24.689)	54.468
Expense accruals of tax liability in dispute and tax base increase	(3.498)	(68.682)
Expenses not deductible for tax purposes	(12.204)	(12.427)
Income not subject to tax	24.186	3.876
Tax losses for which no deferred income tax asset was recognized	(13.086)	(10.062)
Adjustment effects	(69)	(2.344)
Withholding tax related to the dividend payment in Russia	(5.440)	(181)
Difference due to the different tax rates applicable in different countries	(5.870)	-
Other	(3.185)	(3.426)
Tax expense	(43.855)	(38.778)

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.**SELECTED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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NOTE 27 - RELATED PARTY DISCLOSURES

For the purpose of those consolidated financial statements, shareholders that have control or joint control over the Company, other individuals that have direct or indirect control over those shareholders, other group companies that are directly or indirectly controlled by these individuals, key management personnel and Board members, in each case together with their families and companies controlled by or affiliated with them, associates and joint ventures are considered and referred to as related parties. As of the balance sheet date, the details of due to/from related parties and related party transactions for the interim periods ended as of 31 March 2012 and 31 December 2011 are summarized as below:

i) Amounts due from and due to related parties:

	31 March 2012	31 December 2011
<u>Current trade receivables - Due from related parties:</u>		
Medyanet İletişim Reklam		
Pazarlama ve Turizm A.Ş. (“Medyanet”) (1)	3.193	1.291
D Elektronik Şans Oyunları ve		
Yayıncılık A.Ş. (“D Elektronik Şans Oyunları”)	882	1.117
Doğan Elektronik Turizm Satış Pazarlama		
Hizmetleri ve Yayıncılık A.Ş.	411	401
D Market Elektronik Hizmetler ve Ticaret A.Ş. (“D Market”)	190	1.246
D finans İnternet Bilgi Hizmetleri ve Ticaret A.Ş.	-	173
Doğan Portal ve Elektronik Ticaret A.Ş.	59	58
Doğan İnternet Yayıncılığı ve Yatırım A.Ş.	-	52
Ortadoğu Otomotiv Ticaret A.Ş.	54	-
Other	464	173
	5.253	4.511

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

	31 March 2012	31 December 2011
<u>Current non-trade receivables - Due from related parties:</u>		
Gümüştaş Madencilik ve Ticaret A.Ş.	3.525	3.702
	3.525	3.702

	31 March 2012	31 December 2011
<u>Current trade payables - Due to related parties:</u>		
Aydın Rent A Car Turizm A.Ş.	1.189	-
Doğanlar Sigorta Aracılık Hizmetleri A.Ş.	652	-
D-Yapı İnşaat Sanayi ve Ticaret A.Ş.	607	-
D-Market	18	-
Mesiar Medya Sigorta ve Aracılık Hizmetleri A.Ş.	80	91
Yeni Ortadoğu Otomotiv Ticaret A.Ş.	8	64
Other	593	91
	3.152	246

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

<u>Service and product purchases:</u>	1 January- 31 March 2012	1 January - 31 March 2011
Service and product purchases	11.825	1.342
	11.825	1.342

Service and product sales:

Service and product sales	144.103	5.294
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Financial income and expense

Financial income	120	94
	120	94

Purchases of property, plant and equipment and intangible assets:

D-Yapı İnşaat Sanayi ve Ticaret A.Ş.	490	-
Other	7	4
	497	4

Sales of property, plant and equipment and intangible assets:

D Elektronik Şans Oyunları	-	1
	-	1

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:

	31 March 2012	31 March 2011
Salaries and other short term benefits	2.682	1.269
Post-employment benefits	-	-
Other long term benefits	-	-
Termination benefits	-	-
Share based payments	-	-
Total	2.682	1.269

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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.

	31 March 2012	31 December 2011
Foreign currency assets	3.282.287	3.448.658
Foreign currency liabilities	(2.452.027)	(3.043.140)
Net asset position of off-balance sheet derivatives	(3.856)	72.460
Net foreign currency position	826.404	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 31 March 2012 and 31 December 2011. The carrying amount of foreign currency denominated assets and liabilities are as follows:

31 March 2012

	TRY Equivalent	USD	Euro	Other
1. Trade Receivables	290.766	74.800	81.301	134.665
2a. Monetary Financial Assets (Cash, Banks included)	2.800.628	2.109.097	632.440	59.091
2b. Non-Monetary Financial Assets	-	-	-	-
3. Other	3.835	3.636	199	-
4. Current Assets (1+2+3)	3.095.229	2.187.533	713.940	193.756
5. Trade Receivables	17	-	17	-
6a. Monetary Financial Assets	175.999	175.958	-	41
6b. Non-Monetary Financial Assets	-	-	-	-
7. Other	11.042	224	10.818	-
8. Non-Current Assets (5+6+7)	187.058	176.182	10.835	41
9. Total Assets (4+8)	3.282.287	2.363.715	724.775	193.797
10. Trade Payables	100.590	41.349	47.041	12.200
11. Financial Liabilities	779.509	590.178	169.060	20.271
12a. Other Monetary Financial Liabilities	51.927	7.194	3.416	41.317
12b. Other Non-Monetary Financial Liabilities	8.464	67	8.397	-
13. Current Liabilities (10+11+12)	940.490	638.788	227.914	73.788
14. Trade Payables	434	70	2	362
15. Financial Liabilities	1.465.882	1.393.041	59.006	13.835
16a. Other Monetary Financial Liabilities	44.393	44.347	-	46
16b. Other Non-Monetary Financial Liabilities	828	201	627	-
17. Non-Current Liabilities (14+15+16)	1.511.537	1.437.659	59.635	14.243
18. Total Liabilities (13+17)	2.452.027	2.076.447	287.549	88.031
19 Net asset / liability position of				
Off-balance sheet derivatives (19a-19b)	(3.856)	43.837	(47.867)	174
19a. Off-balance sheet foreign				
currency derivative assets	53.560	49.836	3.550	174
19b. Off-balance sheet foreign				
currency derivative liabilities	57.416	5.999	51.417	-
20. Net foreign currency				
asset liability position (9-18+19)	826.404	331.105	389.359	105.940
21. Net foreign currency asset / liability				
position of monetary items				
(1+2a+5+6a-10-11-12a-14-15-16a)	824.675	283.676	435.233	105.766
22. Fair value of foreign currency				
hedged financial assets	-	-	-	-
23. Exports	16.553	835	15.718	-
24. Imports	106.587	1.995	104.592	-

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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	-	-	-	-
Other 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	53.238	2.121	51.111	6
24. Imports	148.797	3.576	144.954	267

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NOTE 28 - FINANCIAL RISK MANAGEMENT (Continued)

As of 31 March 2012 and 31 December 2011 foreign currency denominated asset and liability balances were converted with the following exchange rates; TRY 1,7729 = USD 1 and TRY 2,3664 = EUR 1 (2011: TRY 1,8889 = USD 1 and TRY 2,4438 = EUR 1)

31 March 2012

	Income/Loss	
	Appreciation of foreign currency	Depreciation of foreign currency
	If USD appreciated against TRY by 10%	
1- USD net asset/(liability)	33.110	(33.110)
2- Part of hedged from USD risk (-)	-	-
3- - USD net effect-gain/(loss) (1+2)	33.110	(33.110)
	If EUR appreciated against TRY by 10%	
4- Euro net asset/(liability)	38.936	(38.936)
5- Part of hedged from EUR risk (-)	-	-
6- EUR net effect-gain/(loss) (4+5)	38.936	(38.936)
	If other foreign currency appreciated against TRY by 10%	
7- Other foreign currency net asset/(liability)	10.594	(10.594)
8- Part of hedged other foreign currency risk (-)	-	-
9- Other foreign currency net effect-gain/(loss) (7+8)	10.594	(10.594)
Total(3+6+9)	82.640	(82.640)

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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 31 March 2012 and 31 December 2011, the Group's borrowings at floating rates are predominantly denominated in US Dollars and Euros.

At 31 March 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 7.007 (31 December 2011: TRY 14.573) higher/lower, mainly as a result of high interest expense on floating rate borrowings.

At 31 March 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 424 (31 December 2011: TRY 976) 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)

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

	31 March 2012	31 December 2011
Financial instruments with fixed rate		
Financial assets		
- Banks	2.448.897	3.292.201
- Financial investments	175.391	191.672
Financial liabilities (Note 8)	870.124	860.160
Financial instruments with floating rate		
Financial liabilities (Note 8)	1.460.638	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:

	31 March 2012			31 December 2011		
	USD	EUR	TRY	USD	EUR	TRY
Assets						
Cash and cash equivalents	0,5-6	0,5-6,75	5,6-12	0,5-6,05	1,-6,05	5,75-12,7
Financial investments	1-9	-	-	1-6	-	9,37
Liabilities						
Financial Liabilities	1,80-7,21	1,76-7,54	4,15-13,05	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:

31 March 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)	2.448.897	-	-	-	291.726	2.740.623
Financial investments (Note 7)	-	-	175.391	-	5.888	181.279
Total	2.448.897	-	175.391	-	297.614	2.921.902
Liabilities						
Financial liabilities (Note 8) ⁽¹⁾	-	2.035.644	-	-	-	2.035.644
Total	-	2.035.644	-	-	-	2.035.644
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	-	-	-	176.086	3.468.287
Financial investments(Note 7)	-	-	191.672	-	5.730	197.402
Total	3.292.201	-	191.672	-	181.816	3.665.689
Liabilities						
Financial liabilities(Note 8) ⁽¹⁾	-	2.245.276	-	-	-	2.245.276
Total	-	2.245.276	-	-	-	2.245.276

⁽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 31 March 2012 is as follows:

	Trade receivables		Other receivables		Cash and cash equivalents	Derivative instruments
	Related party	Other	Related party	Other		
Maximum net credit risk as of balance sheet date	5.253	854.373	3.525	588.016	2.740.623	2.267
- The part of maximum risk under guarantee with collateral	1.264	106.212	-	312.385	-	-
A. Net book value of financial assets that are past due /impaired	5.253	604.240	-	588.016	2.740.623	2.267
- Guaranteed amount by collateral	-	77.298		312.385	-	-
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	-	250.133	-	-	-	-
- Guaranteed amount by collateral	-	28.914	-	-	-	-
D. Impaired asset net book value	-	-	-	-	-	-
- Past due (gross amount)	-	178.841	-	1.434	-	-
- Impairment (-)	-	(178.841)	-	(1.434)	-	-
- 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:

	Trade receivables		Other receivables		Cash and cash equivalents	Derivative instruments
	Related party	Other	Related party	Other		
Maximum net credit risk as of balance sheet date	4.511	813.179	3.702	434.707	3.468.287	4.640
- The part of maximum risk under guarantee with collateral	-	64.135	-	332.446	-	-
A. Net book value of financial assets that are past due /impaired	4.229	613.027	3.702	434.707	3.468.287	4.640
- Guaranteed amount by collateral	-	44.350	-	-	-	-
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	282	200.152	-	-	-	-
- Guaranteed amount by collateral	-	19.785	-	-	-	-
D. Impaired asset net book value	-	-	-	-	-	-
- Past due (gross amount)	-	179.391	-	1.505	-	-
- Impairment (-)	-	(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:

	31 March 2012		31 December 2011	
	Related party	Other receivables	Related party	Other receivables
0-1 months overdue	1.377	94.849	-	77.806
1-3 months overdue	-	83.759	282	55.292
3-12 months overdue	-	60.702	-	55.952
1-5 years overdue	-	10.823	-	11.102
More than 5 years	-	-	-	-
Total	1.377	250.133	282	200.152
Guaranteed amount by collateral				
Media	-	25.086		16.410
Retail		-		-
Other	-	3.828	-	3.375

d) Liquidity risk

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

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

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

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NOTE 28 - FINANCIAL RISK MANAGEMENT (Continued)

31 March 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)	2.330.761	2.641.600	259.374	657.632	1.459.329	265.265
Trade payables (Note 9)	380.195	382.298	300.650	68.900	12.748	-
Other financial liabilities	492.363	492.363	70.833	140.510	281.020	-
Other liabilities	713.288	784.566	181.421	274.157	328.988	-
Due to related parties (Note 27)	3.152	3.152	3.152	-	-	-
	3.919.759	4.303.979	815.430	1.141.199	2.082.085	265.265
Derivative financial liabilities						
Derivative cash inflow	2.267	170.481	75.528	53.647	41.306	-
Derivative cash outflow	(4.568)	(178.522)	(77.174)	(52.592)	(48.756)	-
Derivative cash inflow/outflow, net (Note 7)	(2.301)	(8.041)	(1.646)	1.055	(7.450)	-
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	835.094	231.949	219.326	383.820	-
Other financial liabilities	534.691	604.582	8.860	69.311	526.411	-
	4.339.174	4.631.211	1.085.213	1.106.907	2.193.713	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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NOTE 28 - FINANCIAL RISK MANAGEMENT (Continued)

f) Capital risk management (Continued)

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

	31 March 2012	31 December 2011
Total liability (1)	4.175.306	4.613.184
Less: Cash and cash equivalents (Note 6)	(2.731.856)	(3.457.827)
Net liability	1.443.450	1.155.357
Equity	3.024.803	3.039.038
Total equity	4.468.253	4.194.395
Gearing ratio	32%	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.

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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:

	31 March 2012	Fair value at reporting date		
		Level 1 TRY	Level 2 TRY	Level 3 TRY
Financial assets				
Financial assets at FVTPL				
Trading securities				
Trading derivatives	-	-	-	-
Derivative Instruments	2.267	-	2.267	-
Available-for-sale financial assets	-	-	-	-
Bonds and bills	77.715	77.715	-	-
Total	79.982	77.715	2.267	-

Financial liabilities

Financial liabilities at FVTPL				
Trading securities				
Trading derivatives	-	-	-	-
Derivative instruments	4.568	4.568	-	-
Other financial liabilities	-	-	-	-
Total	4.568	4.568	-	-

	31 December 2011	Fair value at reporting date		
		Level 1 TRY	Level 2 TRY	Level 3 TRY
Financial assets				
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	-	-	-	-
Total	6.610	6.610	-	-

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NOTE 30 - SUBSEQUENT EVENTS

Board of Directors’ offer about profit distribution

At Doğan Holding Board of Directors’ 12 April 2012 dated meeting, it is decided that any distribution of profits will be made and in accordance with TCC 466/1 article, “I. legal reserve” amounting to TRY 22.294 has been decided to be allocated and remaining amount TRY 423.595 to be transferred to “extraordinary reserve” (Note 18).

Milpark project

As a result of evaluations, Board of Directors of Group’s subsidiary Milpa has decided that construction of “Project”’s 2nd and 3rd stages will be abandoned. This decision has been made by taking excess housing supply in the region on which Milpark Housing Project (“Project”) has been located and pricing risk and additional financial burden related to the former situation into consideration.

In line with this decision, 16.05.2012 dated “Termination Agreement” was signed between Milpa and the land owner (“Proprietor”) by providing mutual agreement.

Within the context of “Termination Agreement”, land shares belonging to 2nd and 3rd stages of the “Project” will be given back to “Proprietor”; 1.001 square meters foot houses belonging to formerly completed 1st stage will be transferred to “Proprietor”. At the end of this transaction, Milpa will have no obligation to “Proprietor”.

Due to the cancellation of the 2nd and 3rd stages of the project, the Group/Company management anticipates TRY 28.000 of “loss” arising from miscellaneous expenses as well as the recognition of capitalized costs that are associated with land on which investments would be made regarding the 2nd and 3rd stages in inventories in the income statement under the Milpa’s recent publicly disclosed IFRS financial statements prepared for the 01.01.2012-31.03.2012 interim period. That amount is unaudited; detailed explanations on this subject will take part in 01.01.2012-30.06.2012 interim period financial statements and notes which will be independently audited (limited review) and publicly announced.

Approval of Financial Statements

The consolidated financial statements for the period ended 31 March 2012 were approved by the Board of Directors on 18 May 2012. Other than Board of Directors has no authority to change financial statements.

Workings about FULL Group

Duration of the publicly announced “exclusivity” agreement between Group’s subsidiary Doğan Enerji and Asya Akaryakıt Ticaret ve Sanayi A.Ş., on behalf of “FULL Group”, has been extended to 30 September 2012 for the completion of partnership process. According to the result of “due diligence” workings which are going to be completed until 30 September 2012, parties will come to an agreement on determination of partnership structures on FULL Group’s fuel companies, so as to Doğan Enerji will have the share control (60%-40%). Workings are currently underway on this issue.

NOTE 31 - DISCLOSURE OF OTHER MATTERS

None.