

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**CONVENIENCE TRANSLATION INTO ENGLISH OF
CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD 1 JANUARY – 31 MARCH 2013**

DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD 1 JANUARY - 31 MARCH 2013**

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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 2013, 31 DECEMBER 2012 AND 2011

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

		USD(*) 31 March 2013	Unaudited 31 March 2013	Restated Audited 31 December 2012	Restated Audited 31 December 2011
ASSETS	Notes				
Current assets		2.171.405	3.927.421	4.128.121	4.937.006
Cash and cash equivalents	6	1.076.400	1.946.885	2.165.978	3.454.433
Financial investments	7	103.081	186.443	177.043	191.672
Trade receivables					
- Due from related parties	28	11.271	20.386	18.960	8.685
- Other trade receivables	9	416.391	753.126	697.833	646.846
Other receivables					
- Due from related parties	28	42.506	76.880	71.249	3.702
- Other receivables	10	235.751	426.402	420.781	46.350
Derivative financial instruments	7	1.469	2.657	882	-
Inventories		123.218	222.864	231.904	249.837
Biological Assets	11	145	263	208	74
Other current assets	18	157.575	285.006	343.283	254.720
Sub-total		2.167.807	3.920.912	4.128.121	4.856.319
Non-current assets held for sale		3.598	6.509	-	80.687
Non-current assets		1.947.416	3.522.291	3.660.847	3.095.111
Trade receivables	9	1.184	2.142	2.217	274
Other receivables	10	45.813	82.862	106.240	417.005
Inventories		-	-	-	18.096
Financial investments	7	1.268	2.294	2.216	5.730
Investments accounted for by using the equity method	4	205.569	371.813	361.571	253.069
Investment property	12	125.986	227.870	229.376	180.242
Property, plant and equipment	13	504.740	912.923	926.912	668.999
Intangible assets	13	551.074	996.728	1.006.040	661.291
Goodwill	14	280.751	507.794	518.957	539.951
Deferred tax asset	27	62.374	112.815	109.098	75.884
Other non-current assets	18	168.657	305.050	398.220	274.570
Total assets		4.118.821	7.449.712	7.788.968	8.032.117

The consolidated financial statements for the interim period ended 31 March 2013 have been approved by the Board of Directors on 17 May 2013.

- (*) As explained in the Note 2.1.8 to the consolidated financial statements, USD amounts shown in these consolidated financial statements have been included solely for the convenience of the reader and are translated from TL, as a matter of arithmetic computation only, at the Central Bank of the Republic of Turkey official TL exchange rate. Thus, USD amounts do not form a part of the consolidated financial statements prepared in accordance with generally accepted accounting standards issued by the Capital Market Board ("CMB") as at 31 March 2013.

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 2013, 31 DECEMBER 2012 AND
2011**

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

		USD(*) 31 March 2013	Unaudited 31 March 2013	Restated Audited 31 December 2012	Restated Audited 31 December 2011
LIABILITIES	Notes				
Current liabilities		990.498	1.791.514	2.138.848	1.914.978
Financial borrowings	8	532.191	962.574	1.393.128	856.285
Other financial liabilities	8	87.154	157.636	163.268	67.924
Derivative financial liabilities	8	946	1.711	1.683	4.930
Trade payables					
- Due to related parties	28	12.810	23.170	17.849	24.887
- Other trade payables	9	215.366	389.532	354.257	408.172
Other payables	10	45.042	81.467	86.361	87.507
Income tax payable	27	11.442	20.696	9.829	38.770
Provisions	16	18.370	33.226	30.170	44.048
Other current liabilities	18	65.344	118.187	82.303	382.455
Sub total		988.665	1.788.199	2.138.848	1.914.978
Liabilities regarding non-current assets held for sale		1.833	3.315	-	-
Non-current liabilities		888.242	1.606.564	1.561.994	2.227.562
Financial borrowings	8	640.632	1.158.712	956.322	1.140.929
Other financial liabilities	8	78.992	142.872	289.164	434.962
Other payables	10	7.625	13.791	13.307	61.783
Provisions		-	-	-	507
Provision for employment benefits		54.070	97.797	94.375	46.975
Other non-current liabilities	18	2.326	4.208	12.502	404.664
Deferred tax liability	27	104.597	189.184	196.324	137.742
EQUITY		2.240.081	4.051.634	4.088.126	3.889.577
Equity attributable to equity holders of the Parent Company	19	1.745.788	3.157.606	3.181.006	3.069.867
Issued capital	19	1.354.564	2.450.000	2.450.000	2.450.000
Adjustment to issued capital	19	79.353	143.526	143.526	143.526
Share premium	19	1.306	2.362	2.362	2.362
Value increased fund	19	(1.074)	(1.942)	2.092	(4.056)
Translation reserves	19	27.473	49.689	53.688	67.538
Restricted reserves	19	631.759	1.142.663	1.204.043	1.181.749
Gains on revaluation of investment property		554	1.002	1.002	-
Accumulated losses	19	(339.651)	(614.327)	(831.377)	(17.517)
Net income/ (loss) for the period		(8.496)	(15.367)	155.670	(753.735)
Non-controlling interests		494.293	894.028	907.120	819.710
Total liabilities		4.118.821	7.449.712	7.788.968	8.032.117
Commitments	17				

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DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**CONSOLIDATED STATEMENTS OF INCOME
FOR THE INTERIM PERIODS ENDED 1 JANUARY-31 MARCH 2013 AND 31 MARCH
2012**

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

	Note References	USD(*) 1 January - 31 March 2013	Unaudited 1 January - 31 March 2013	Restated Unaudited 1 January - 31 March 2012
Continued operations				
Sales	20	431.246	779.994	723.383
Cost of sales (-)	20	(322.047)	(582.485)	(546.536)
Gross profit	20	109.199	197.509	176.847
Marketing, sales and distribution expenses (-)	21-22	(57.193)	(103.446)	(82.293)
General administrative expenses (-)	21-22	(49.438)	(89.419)	(89.822)
Other operating income	23	7.249	13.112	155.748
Other operating expenses (-)	23	(17.281)	(31.256)	(14.740)
Operating (loss)/ profit before share of gain/ loss on investments accounted for by using the equity method		(7.464)	(13.500)	145.740
Share of gain/ loss on investments accounted for by using the equity method	4	(4.406)	(7.970)	18.286
Operating profit/ (loss)		(11.870)	(21.470)	164.026
Financial income	24	48.342	87.437	642.586
Financial expenses (-)	25	(42.523)	(76.912)	(689.025)
(Loss) / Profit before taxation from continued operations		(6.051)	(10.945)	117.587
Tax expenses from continued operations	27	(8.625)	(15.599)	(37.997)
Current income tax expense		(12.006)	(21.713)	(36.799)
Deferred tax Income/ (Expense)		3.381	6.114	(1.198)
(Loss)/ Profit for the period from continued operations		(14.676)	(26.544)	79.590
Allocation of net profit/ (loss) for the period				
Attributable to non-controlling interests		(6.180)	(11.177)	55.986
Attributable to equity holders of the Parent Company		(8.496)	(15.367)	23.604
Earning/ (loss) per share attributable to equity holders of the Parent Company (Kr)		(0,0025)	(0,006)	0,010
Earning/ (loss) per share attributable to equity holders of the Parent Company from continued operations		(0,0025)	(0,006)	0,010

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DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE INTERIM PERIODS ENDED 31 MARCH 2013 AND 31 MARCH 2012**

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

	Note References	USD(*) 1 January - 31 March 2013	Unaudited 1 January - 31 March 2013	Restated Unaudited 1 January - 31 March 2012
(Loss)/ profit for the period		(14.676)	(26.544)	79.590
Other comprehensive (expense) / income:				
Change in financial assets fair value reserve		(2.230)	(4.034)	(935)
Change in translation reserves		(2.878)	(5.206)	16.161
Other Comprehensive (Expense)/ Income (After Income Tax)		(5.108)	(9.240)	15.226
Total Comprehensive (Expense)/Income		(19.784)	(35.784)	94.816
Allocation of Total Comprehensive (Expense)/ (Income for the Period:				
Attributable to non-controlling interests		(6.847)	(12.384)	97.942
Attributable to equity holders of the Parent Company		(12.937)	(23.400)	(3.126)

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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 2013 AND 31 MARCH 2012**

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

	Note	Share Capital	Adjutment to Share Capital	Share Premium	Financial asset fair value reserve	Translation reserve	Restricted reserve	Retained earnings	Net profit / (loss) for the period	Equity Attributable to equity holders of the company	Non- controlling interest	Total shareholder's equity
Balances at 1 January 2012 (previously reported)	19	2.450.000	143.526	2.362	(4.056)	67.538	1.181.749	(17.517)	(753.735)	3.069.867	822.005	3.891.872
Effect of changes in accounting policy (Note 2.1.6)		-	-	-	-	-	-	-	-	-	(2.295)	(2.295)
Balances at 1 January 2012 (restated)		2.450.000	143.526	2.362	(4.056)	67.538	1.181.749	(17.517)	(753.735)	3.069.867	819.710	3.889.577
Transfers		-	-	-	-	-	-	(753.735)	753.735	-	-	-
Acquisition of subsidiary share		-	-	-	-	-	-	(32.224)	-	(32.224)	(13.588)	(45.812)
Dividend payment		-	-	-	-	-	-	-	-	-	(686)	(686)
Financial liabilities that are subject to non-controlling interest put options		-	-	-	-	-	-	21.374	-	21.374	25.529	46.903
Other ⁽¹⁾		-	-	-	-	-	-	-	-	-	(80)	(80)
Total comprehensive expense		-	-	-	(935)	(25.795)	-	-	23.604	(3.126)	97.942	94.816
- Change in the financial asset fair value reserve, net		-	-	-	(935)	-	-	-	-	(935)	-	(935)
- Currency translation differences		-	-	-	-	(25.795)	-	-	-	(25.795)	41.956	16.161
- Net loss for the period		-	-	-	-	-	-	-	23.604	23.604	55.986	79.590
Balances at 31 March 2012	19	2.450.000	143.526	2.362	(4.991)	41.743	1.181.749	(782.102)	23.604	3.055.891	928.827	3.984.718

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

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

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**CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE INTERIM PERIODS ENDED 1 JANUARY-31 MARCH 2013 AND 31 MARCH 2012**

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

	Note	Share Capital	Adjustment to Share Capital	Share Premium	Financial Asset Fair Value Reserve	Investment property revaluation reserve	Translation reserve	Restricted reserves	Retained earnings	Net profit/loss for the period	Equity Attributable to equity holders of the parent company	Non- controlling interests	Total Equity
Balances at 1 January 2013 (previously reported)	19	2.450.000	143.526	2.362	2.092	1.002	53.688	1.204.043	(831.377)	155.670	3.181.006	909.415	4.090.421
Effect of changes in accounting policy (Note 2.1.6)		-	-	-	-	-	-	-	-	-	-	(2.295)	(2.295)
Balances at 1 January 2013 (restated)		2.450.000	143.526	2.362	2.092	1.002	53.688	1.204.043	(831.377)	155.670	3.181.006	907.120	4.088.126
Transfers (Note 19)		-	-	-	-	-	-	(61.380)	61.380	-	-	-	-
Capital Increase		-	-	-	-	-	-	-	-	-	-	(1.052)	(1.052)
Transfers from retained earnings		-	-	-	-	-	-	-	155.670	(155.670)	-	-	-
Dividend payments out of group by subsidiaries		-	-	-	-	-	-	-	-	-	-	(735)	(735)
Change in subsidiary effective share rate		-	-	-	-	-	-	-	-	-	-	2.580	2.580
Other ⁽¹⁾		-	-	-	-	-	-	-	-	-	-	(1.501)	(1.501)
Total comprehensive income		-	-	-	(4.034)	-	(3.999)	-	-	(15.367)	(23.400)	(12.384)	(35.784)
- Financial assets fair value reserves (net)		-	-	-	(4.034)	-	-	-	-	-	(4.034)	-	(4.034)
- Currency translation differences		-	-	-	-	-	(3.999)	-	-	-	(3.999)	(1.207)	(5.206)
- Net loss for the period		-	-	-	-	-	-	-	-	(15.367)	(15.367)	(11.177)	(26.544)
Balances at 31 March 2013	19	2.450.000	143.526	2.362	(1.942)	1.002	49.689	1.142.663	(614.327)	(15.367)	3.157.606	894.028	4.051.634

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

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

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DOĞAN ŞİRKETLER GRUBU HOLDİNG A.Ş.

**CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE
INTERIM PERIODS ENDED 1 JANUARY-31 MARCH 2013 AND 2012**

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

	Notes	USD(*) 1 January- 31 March 2013	Unaudited 1 January- 31 March 2013	Restated Unaudited 1 January- 31 March 2012
Profit/ (loss) before income taxes from continued operations		(6.051)	(10.945)	117.587
Adjustments:				
Depreciation and amortization	12-13	32.498	58.779	50.780
Provision for employment termination benefits		3.289	5.949	4.185
Interest expense	25	17.782	32.162	23.743
Currency translation differences		(6.690)	(12.100)	(12.158)
Change in fair value of derivative financial instruments		966	1.747	4.417
Gain on sale of property, plant and equipment and intangible assets	23	(642)	(1.161)	(144.020)
Loss on sale of property, plant and equipment and intangible assets	23	4.380	7.923	1.961
Change in fair value of goodwill			-	(2.341)
Provision for impairment on goodwill	23	1.956	3.537	-
Provision of impairment of programme rights	13	15	27	85
Investment property at fair value	12	(321)	(580)	710
Gain on sale of subsidiary	23	-	-	(2.332)
Provision of doubtful receivable	23	4.449	8.047	3.006
Provision for other doubtful receivables (net)	18	14	25	-
Share of loss of investments accounted for by using the equity method		4.406	7.970	(18.286)
Disputed tax debt expense and tax base increase liability regarding 6111 law	25	-	-	17.491
Unearned finance expense due to sales with maturity	25	3.974	7.188	13.683
Provision for impairment on inventories	23	186	336	275
Reversal of provision for impairment on inventories		(79)	(143)	(563)
Interest income	24	(15.236)	(27.558)	(54.481)
Unearned finance income due to purchases with maturity	24	(9.987)	(18.063)	(24.760)
Unrealized foreign exchange (gain) / loss (net)		(9.391)	(16.986)	(104.004)
Provision for lawsuits	23	2.395	4.331	1.923
Provision for unused vacation		3.139	5.678	2.743
		31.052	56.163	(120.356)
Change in assets and liabilities:				
Decrease / (increase) in financial investments		(4.865)	(8.800)	12.710
Increase in trade receivables and due from related parties		(40.713)	(73.637)	(65.855)
Decrease / (increase) in inventories		5.052	9.138	11.719
Decrease in other receivables		6.690	12.101	78.886
Increase / decrease in trade payables and due to related parties		32.432	58.659	(44.420)
Increase / (decrease) in other current assets		(17.432)	(31.530)	13.131
Increase / (decrease) in other non-current assets		(268)	(485)	(18.809)
Increase in other current liabilities		18.533	33.520	14.907
Decrease in other payables		(2.438)	(4.410)	(36.479)
Employment termination benefits paid		(1.397)	(2.527)	(2.857)
Tax paid	27	(6.014)	(10.877)	(46.366)
Collections from doubtful receivables		1.285	2.325	107
Decrease in debt provisions		(705)	(1.275)	(1.882)
Decrease in long term liabilities		(4.586)	(8.294)	(16.514)
Tax liability in dispute paid regarding 6111 law		-	-	(89.008)
Tax base increase paid regarding 6111 law		-	-	(3.165)
Increase in blocked deposits	18	100.567	181.896	(229.540)
Net cash used in operating activities		117.193	211.967	(543.791)

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**CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE
INTERIM PERIODS ENDED 1 JANUARY-31 MARCH 2013 AND 2012**

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

		<i>USD(*)</i> <i>1 January-</i> <i>31 March</i> 2013	<i>Unaudited</i> <i>1 January-</i> <i>31 March</i> 2013	<i>Restated</i> <i>Unaudited</i> <i>1 January-</i> <i>31 March</i> 2013
	<i>Notes</i>			
Investing activities				
Acquisition of property, plant and equipment and intangible assets	13	(28.360)	(51.295)	(70.641)
Purchase of investment property	12	(3.958)	(7.158)	(7.164)
Proceeds from sale of property, plant and equipment and intangible assets		3.781	6.839	50.270
Change on share of subsidiary		1.426	2.580	(45.812)
Increase on investments accounted for by using the equity method		(9.360)	(16.929)	(9.691)
Changes on long term investments	7	(42)	(78)	(158)
Cash provided from sale of subsidiary		-	-	43
Net cash used in investing activities		(36.513)	(66.041)	(83.153)
Financing activities				
Decrease in financial borrowings		(105.859)	(191.468)	(114.780)
Interest received		24.327	44.001	56.183
Interest paid		(29.164)	(52.749)	(23.743)
Decrease on financial borrowings related with the options		(81.038)	(146.573)	(59.285)
Increasing capital of non-controlling interests		(582)	(1.052)	-
Dividends paid to non-controlling interests		(406)	(735)	(686)
Net cash (used in)/ provided from financing activities		(192.722)	(348.576)	(142.311)
Net decrease in cash and cash equivalents		(112.042)	(202.650)	(769.255)
Cash and cash equivalents at the beginning of the period	6	1.181.039	2.136.145	3.443.973
Cash and cash equivalents at the end of the period	6	1.068.997	1.933.495	2.674.718

- (*) As explained in the Note 2.1.8 to the consolidated financial statements, USD amounts shown in these consolidated financial statements have been included solely for the convenience of the reader and are translated from TL, as a matter of arithmetic computation only, at the Central Bank of the Republic of Turkey official TL exchange rate. Thus, USD amounts do not form a part of the consolidated financial statements prepared in accordance with generally accepted accounting standards issued by the CMB as at 31 March 2013.

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

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NOTE 1 - ORGANIZATION AND NATURE OF OPERATIONS

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

Doğan Holding is registered with the Capital Markets Board (“CMB”) and its shares have been quoted on Borsa İstanbul (“Borsa İstanbul”) since June 21, 1993. As of 31 March 2013, %31,43 shares of Doğan Holding are offered to the public (31 December 2012: %31,97). 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 21).

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

Burhaniye Mahallesi Kısıklı Caddesi No: 65
Üsküdar 34696 İstanbul

Doğan Holding’s principal activities are in Turkey and its activities are presented under three segments for reporting purposes as of 31 March 2013:

- 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, agriculture, manufacturing, energy and real estate. These companies are not considered as separate reportable segments since the effects of the operating results are below materiality when compared with consolidated results.

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NOTE 1 - ORGANIZATION AND NATURE OF OPERATIONS (Continued)

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

Subsidiaries	Country	Nature of business	Segment
Doğan Yayın Holding A.Ş. (“Doğan Yayın Holding or DYH”)	Turkey	Holding	Media
Hürriyet Gazetecilik ve Matbaacılık A.Ş. (“Hürriyet”)	Turkey	Newspaper publishing	Media
Hürriyet Medya Basım Hizmetleri ve Ticaret A.Ş. (“Hürriyet Medya Basım”)	Turkey	Printing and administrative services	Media
Doğan Ofset Yayıncılık ve Matbaacılık A.Ş. (“Doğan Ofset”)	Turkey	Printing services	Media
Posta Haber Ajansı A.Ş. (“Posta Haber”)	Turkey	News agency	Media
Doğan Gazetecilik A.Ş. (“Doğan Gazetecilik”)	Turkey	Newspaper publishing	Media
Doğan Dağıtım Satış Pazarlama Matbaacılık Ödeme Aracılık ve Tahsilat Sistemleri A.Ş. (“Doğan Dağıtım”)	Turkey	Distribution	Media
Doğan Dış Ticaret ve Mümesillik A.Ş. (“Doğan Dış Ticaret”)	Turkey	Import and export	Media
Doğan Haber Ajansı A.Ş. (“Doğan Haber”)	Turkey	News agency	Media
Doğan Gazetecilik İnternet Hizmetleri ve Ticaret A.Ş. (“Doğan Gazetecilik İnternet”)	Turkey	Internet services	Media
Yenibiriş İnsan Kaynakları Hizmetleri Danışmanlık ve Yayıncılık A.Ş. (“Yenibir”)	Turkey	Internet services	Media
Hürriyet Zweigniederlassung GmbH (“Hürriyet Zweigniederlassung”)	Germany	Newspaper printing	Media
Milliyet Verlags und Handels GmbH (“Milliyet Verlags”)	Germany	Newspaper publishing	Media
Doğan Media International GmbH (“DMİ”)	Germany	Newspaper publishing	Media
Hürriyet Invest B.V. (“Hürriyet Invest”)	Netherland	Investment	Media
Fairworld International Limited (“Fairworld”)	England	Foreign Trade	Media
Falcon Purchasing Services Ltd. (“Falcon”)	England	Foreign Trade	Media
Trader Media East Ltd. (“TME”)	Jersey	Investment	Media
Oglasnik d.o.o.	Croatia	Newspaper and internet publishing	Media
TCM Adria d.o.o.	Croatia	Investment	Media
Expressz Magyarorszag Media Kft.	Hungary	Newspaper and internet publishing	Media
Mirabridge International B.V.	Netherland	Investment	Media
Publishing International Holding B.V.	Netherland	Investment	Media
Pronto Invest B.V.	Netherland	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-Herzegovina	Internet publishing	Media
OOO RUKOM	Russia	Internet publishing	Media
OOO Pronto Aktobe	Kazakhstan	Newspaper and internet publishing	Media
OOO Novoprint	Russia	Newspaper and internet publishing	Media
OOO Delta-M	Russia	Newspaper and internet publishing	Media
OOO Pronto Baikal	Russia	Newspaper and internet publishing	Media
Job.ru LLC	Russia	Internet publishing	Media
OOO Pronto DV	Russia	Newspaper and internet publishing	Media
OOO Pronto Ivanovo	Russia	Newspaper and internet publishing	Media
OOO Pronto Kaliningrad	Russia	Newspaper and internet publishing	Media
OOO Pronto Kazan	Russia	Newspaper and internet publishing	Media
OOO Pronto Krasnodar	Russia	Newspaper and internet publishing	Media
OOO Pronto Krasnoyarsk	Russia	Newspaper and internet publishing	Media
OOO Pronto Nizhny Novgorod	Russia	Newspaper and internet publishing	Media
OOO Pronto Novosibirsk	Russia	Newspaper and internet publishing	Media
OOO Pronto Oka	Russia	Newspaper and internet publishing	Media
OOO Pronto Samara	Russia	Newspaper and internet publishing	Media
OOO Pronto Stavropol	Russia	Newspaper and internet publishing	Media
OOO Pronto UlanUde	Russia	Newspaper and internet publishing	Media
OOO Pronto Vladivostok	Russia	Newspaper and internet publishing	Media
OOO Pronto Moscow	Russia	Newspaper and internet publishing	Media
OOO Pronto Neva	Russia	Newspaper and internet publishing	Media
OOO Tambukan	Russia	Newspaper and internet publishing	Media
OOO Utro Peterburga	Russia	Newspaper and internet publishing	Media
OOO Pronto Kemerovo	Russia	Newspaper and internet publishing	Media
OOO Pronto Smolensk	Russia	Newspaper and internet publishing	Media
OOO Pronto Tula	Russia	Newspaper and internet publishing	Media
OOO Pronto Voronezh	Russia	Newspaper and internet publishing	Media
OOO Tambov-Info	Russia	Newspaper and internet publishing	Media
OOO Pronto Obninsk	Russia	Newspaper and internet publishing	Media

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NOTE 1 - ORGANIZATION AND NATURE OF OPERATIONS (Continued)

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

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NOTE 1 - ORGANIZATION AND NATURE OF OPERATIONS (Continued)

Subsidiaries	Country	Nature of business	Segment
Doğan Teleshopping Pazarlama ve Ticaret A.Ş. (“Doğan Teleshopping” or “Her Eve Lazım”)	Turkey	Tv publishing	Media
Rapsodi Radyo ve Televizyon Yayıncılık A.Ş. (“Rapsodi Radyo”)	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
Ekin Radyo ve Televizyon Yayıncılığı A.Ş. (“Ekin Radyo”)	Turkey	Radio broadcasting	Media
Primetürk GmbH (“Prime Türk”)	Germany	Marketing	Media
Osmose Media S.A (“Osmose Media”)	Luxembourg	Marketing	Media
Doğan Media International S.A. (“Kanal D Romanya”)	Romania	Tv publishing	Media
Doğan Müzik Kitap Mağazacılık ve Pazarlama A.Ş. (“DMK”)	Turkey	Retail	Retail
Hür Servis Sosyal Hizmetler ve Ticaret A.Ş. (“Hürservis”)	Turkey	Retail	Retail
Doğan Faktoring A.Ş. (“Doğan Faktoring”)	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
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	Production	Other
Doğan Organik Ürünler Sanayi ve Ticaret A.Ş. (“Doğan Organik”)	Turkey	Agriculture	Other
Zigana Elektrik Dağıtım Sanayi ve Ticaret A.Ş. (“Zigana”)	Turkey	Energy	Other
Doğan Enerji Yatırımları Sanayi ve Ticaret A.Ş. (“Doğan Enerji”)	Turkey	Energy	Other
Nakkaştepe Elektrik Üretim ve Yatırımları Sanayi ve Ticaret A.Ş. (“Nakkaştepe Elektrik”)	Turkey	Energy	Other
Galata Wind Enerji A.Ş. (“Galata Wind”)	Turkey	Energy	Other
Akdeniz Elektrik Üretim A.Ş. (“Akdeniz Elektrik”)	Turkey	Energy	Other
SC D-Yapı Real Estate, Investment and Construction S.A. (“D Yapı Romanya”)	Romania	Real estate	Other
D Stroy Limited (“D Stroy”)	Russia	Real estate	Other
DHI Investment B.V. (“DHI Investment”)	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. However, IASs/IFRSs will be in effect for the period in which the differences derived from the standards accepted by the European Union and the standards issued by International Accounting Standards Board (“IASB”) would be announced by Turkish Accounting Standards Board (“TASB”). Accordingly, Turkish Accounting/ Financial Reporting Standards (“TAS”/“TFRS”) previously issued by TASB, which do not contradict to the standards adopted, shall be applied

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

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

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

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

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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).
- Inflation accounting adjustments have been made for the indirect subsidiaries of the Group operating in Belarus in accordance with IAS 29 standard as of 31 March 2013

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. Financial statements of consolidated entities are restated in accordance with the Financial Reporting Standards set out by the CMB considering the accounting policies and presentation requirements applied by the Group.

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

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

2.1.3 Consolidation principles (Continued)

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

(a) Subsidiaries

Subsidiaries are companies in which Doğan Holding has power to control the financial and operating policies for the benefit of Doğan Holding either (a) through the power to exercise more than 50% of voting rights relating to shares in the companies as a result of shares owned directly and indirectly by itself or (b) although not having the power to exercise more than 50% of the voting rights, through the exercise of actual dominant influence over the financial and operating policies. 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)

(a) Subsidiaries (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 2013 and 31 December 2012:

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 (%)	
	31March 2013	31December 2012	31March 2013	31December 2012	31 March 2013	31December 2012	31March 2013	31December 2012
Hürriyet	77,65	77,65	-	-	77,65	77,65	61,50	61,40
Doğan Gazetecilik	70,76	70,76	0,52	0,52	71,28	71,28	70,26	53,49
Milliyet Verlags ⁽¹⁾	99,88	99,88	0,12	0,12	100,00	100,00	74,40	74,31
DMI	100,00	100,00	-	-	100,00	100,00	69,70	69,57
Hürriyet Medya Basım	100,00	100,00	-	-	100,00	100,00	61,50	61,40
Doğan Ofset	99,93	99,93	-	-	99,93	99,93	61,46	61,36
Mozaik	100,00	99,87	-	0,11	100,00	99,98	63,20	60,54
Posta Haber	100,00	100,00	-	-	100,00	100,00	53,59	55,19
Doğan Haber	99,94	99,94	-	-	99,94	99,94	68,14	68,02
Doğan Dağıtım	100,00	100,00	-	-	100,00	100,00	75,70	75,55
Doğan Dış Ticaret	96,52	100,00	-	-	96,52	100,00	72,86	75,34
Doğan Gazetecilik Internet	100,00	100,00	-	-	100,00	100,00	70,30	53,72
Yenibir	100,00	100,00	-	-	100,00	100,00	61,50	61,40
Hürriyet Zweigniederlassung	100,00	100,00	-	-	100,00	100,00	61,50	61,40
Hürriyet Invest	100,00	100,00	-	-	100,00	100,00	61,50	61,40
TME	74,29	67,30	-	-	74,29	67,30	45,61	45,61
Mirabridge International B.V.	100,00	100,00	-	-	100,00	100,00	45,61	45,61
Publishing International Holding B.V.	100,00	100,00	-	-	100,00	100,00	45,61	45,61
Job.ru LLC	100,00	100,00	-	-	100,00	100,00	45,61	45,61
Pronto Invest B.V.	100,00	100,00	-	-	100,00	100,00	45,61	45,61
TCM Adria d.o.o.	100,00	100,00	-	-	100,00	100,00	45,61	45,61
OOO Rektcentr	100,00	100,00	-	-	100,00	100,00	45,61	45,61
Publishing House Pennsylvania Inc.	100,00	100,00	-	-	100,00	100,00	45,61	45,61
Doğan Platform	100,00	100,00	-	-	100,00	100,00	75,74	74,59
Doğan Yayın Holding	75,74	75,59	2,40	2,40	78,14	77,99	75,74	74,59
Fairworld	100,00	100,00	-	-	100,00	100,00	72,86	75,34
Falcon	100,00	100,00	-	-	100,00	100,00	72,86	75,34
Oglasnik d.o.o. ⁽²⁾	100,00	100,00	-	-	100,00	100,00	45,61	45,61
Expressz Magyarorszag Media Kft	100,00	100,00	-	-	100,00	100,00	45,61	45,61
OOO SP Belpronto	60,00	60,00	-	-	60,00	60,00	27,37	27,37
OOO Pronto Rostov	100,00	100,00	-	-	100,00	100,00	45,61	45,61
OOO Pronto Aktobe	80,00	80,00	-	-	80,00	80,00	29,19	29,19
OOO Novoprint ⁽³⁾	100,00	100,00	-	-	100,00	100,00	45,61	45,61

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

2.1.3 Consolidation principles (Continued)

(a) Subsidiaries (Continued)

Subsidiaries	Proportion of Voting power held by Doğan Holding and its subsidiaries (%)		Proportion of voting power held by Doğan family members (%)		Total proportion of voting power held (%)		Proportion of effective ownership interest (%)	
	31March	31December	31March	31December	31 March	31December	31March	31December
	2013	2012	2013	2012	2013	2012	2013	2012
OOO Delta-M	55,00	55,00	-	-	55,00	55,00	25,08	25,08
OOO Pronto Baikal	100,00	100,00	-	-	100,00	100,00	45,61	45,61
OOO Pronto DV	100,00	100,00	-	-	100,00	100,00	45,61	45,61
OOO Pronto Ivanovo	100,00	100,00	-	-	100,00	100,00	45,61	45,61
OOO Pronto Kaliningrad	95,00	95,00	-	-	95,00	95,00	43,33	43,33
OOO Pronto Kazan	72,00	72,00	-	-	72,00	72,00	32,84	32,84
OOO Pronto Krasnodar	80,00	80,00	-	-	80,00	80,00	36,49	36,49
OOO Pronto Krasnoyarsk ⁽⁴⁾	100,00	100,00	-	-	100,00	100,00	45,61	45,61
OOO Pronto Nizhny Novgorod	90,00	90,00	-	-	90,00	90,00	41,05	41,05
OOO Pronto Novosibirsk	100,00	100,00	-	-	100,00	100,00	45,61	45,61
OOO Pronto Oka ⁽⁵⁾	100,00	100,00	-	-	100,00	100,00	45,61	45,61
OOO Pronto Samara	100,00	100,00	-	-	100,00	100,00	45,61	45,61
OOO Pronto Stavropol ⁽⁶⁾	100,00	100,00	-	-	100,00	100,00	45,61	45,61
OOO Pronto UlanUde	90,00	90,00	-	-	90,00	90,00	41,05	41,05
OOO Pronto Vladivostok	90,00	90,00	-	-	90,00	90,00	41,05	41,05
OOO Pronto Moscow	100,00	100,00	-	-	100,00	100,00	45,61	45,61
OOO Pronto Neva	100,00	100,00	-	-	100,00	100,00	45,61	45,61
OOO Tambukan	85,00	85,00	-	-	85,00	85,00	38,77	38,77
OOO Utro Peterburga ⁽⁵⁾	55,00	55,00	-	-	55,00	55,00	25,08	25,08
OOO Pronto Kemerovo	100,00	100,00	-	-	100,00	100,00	45,61	45,61
OOO Pronto Smolensk	100,00	100,00	-	-	100,00	100,00	45,61	45,61
OOO Pronto Tula	100,00	100,00	-	-	100,00	100,00	45,61	45,61
OOO Pronto Voronezh	100,00	100,00	-	-	100,00	100,00	45,61	45,61
OOO Tambov-Info	100,00	100,00	-	-	100,00	100,00	45,61	45,61
OOO Pronto Obninsk	100,00	100,00	-	-	100,00	100,00	45,61	45,61
OOO Pronto Pskov	100,00	100,00	-	-	100,00	100,00	41,05	41,05
TOO Pronto Akmola	100,00	100,00	-	-	100,00	100,00	45,61	45,61
OOO Pronto Atyrau	100,00	100,00	-	-	100,00	100,00	36,49	36,49
OOO Pronto Aktau	100,00	100,00	-	-	100,00	100,00	36,49	36,49
ZAO Pronto Akzhol	80,00	80,00	-	-	80,00	80,00	36,49	36,49
SP Pronto Kiev	50,00	50,00	-	-	50,00	50,00	22,80	22,80
Moje Delo spletni Marketing d.o.o. ^{(2) (7)}	100,00	100,00	-	-	100,00	100,00	45,61	45,61
Bolji Posao d.o.o. Serbia	100,00	100,00	-	-	100,00	100,00	25,08	25,08
Bolji Posao d.o.o. Bosnia	100,00	100,00	-	-	100,00	100,00	25,08	25,08
OOO RUKOM ⁽⁸⁾	100,00	100,00	-	-	100,00	100,00	45,61	45,61
Sklad Dela Prekmurje NGO ⁽⁷⁾	100,00	100,00	-	-	100,00	100,00	25,08	25,08
OOO Partner-Soft ⁽³⁾	90,00	90,00	-	-	90,00	90,00	41,05	41,05
Pronto Soft	90,00	90,00	-	-	90,00	90,00	41,05	41,05
TOV E-Prostir	50,00	50,00	-	-	50,00	50,00	22,80	22,80
Prime Turk	100,00	100,00	-	-	100,00	100,00	63,20	60,54
Osmose Media	100,00	100,00	-	-	100,00	100,00	63,05	60,44
OOO Rosprint Samara ⁽⁹⁾	100,00	100,00	-	-	100,00	100,00	45,61	45,61
Impress Media Marketing LLC ⁽²⁾	100,00	100,00	-	-	100,00	100,00	45,61	45,61
Pronto Ust Kamenogorsk	100,00	100,00	-	-	100,00	100,00	36,49	36,49

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

2.1.3 Consolidation principles (Continued)

(a) Subsidiaries (Continued)

Subsidiaries	Proportion of Voting power held by Doğan Holding and its subsidiaries (%)		Proportion of voting power held by Doğan family members (%)		Total proportion of voting power held (%)		Proportion of effective ownership interest (%)	
	31March	31December	31March	31December	31 March	31December	31March	31December
	2013	2012	2013	2012	2013	2012	2013	2012
Doğan TV Holding ⁽¹⁰⁾	82,45	79,96	0,14	0,14	82,59	80,10	63,05	60,44
Kanal D	94,85	94,85	5,14	5,14	99,99	99,99	59,80	57,33
Kanal D Yapımcılık	100,00	100,00	-	-	100,00	100,00	59,80	57,33
Alp Görsel	100,00	100,00	-	-	100,00	100,00	63,05	60,44
Fun TV	100,00	96,41	-	2,14	100,00	98,55	63,20	58,37
Tempo TV	99,27	99,27	0,42	0,42	99,69	99,69	62,59	60,10
Kanalspor	100,00	100,00	-	-	100,00	100,00	63,20	60,54
Milenyum TV	100,00	100,00	-	-	100,00	100,00	63,20	60,54
TV 2000	100,00	100,00	-	-	100,00	100,00	63,20	60,54
Popüler TV	100,00	100,00	-	-	100,00	100,00	63,20	60,54
D Yapım Reklamcılık	100,00	100,00	-	-	100,00	100,00	63,05	60,44
Bravo TV	100,00	100,00	-	-	100,00	100,00	63,20	60,54
Doğa TV	100,00	100,00	-	-	100,00	100,00	63,20	60,54
Altın Kanal	100,00	100,00	-	-	100,00	100,00	63,20	60,54
Stil TV	100,00	100,00	-	-	100,00	100,00	63,20	60,54
Selenit TV	99,87	99,88	0,06	0,06	99,93	99,94	63,12	60,46
D Çocuk	100,00	100,00	-	-	100,00	100,00	63,20	60,54
Ekinoks TV	100,00	100,00	-	-	100,00	100,00	63,20	60,54
Fleks TV	100,00	100,00	-	-	100,00	100,00	63,20	60,54
Doğan TV Dijital	100,00	100,00	-	-	100,00	100,00	65,31	63,08
Kutup TV	100,00	100,00	-	-	100,00	100,00	63,20	60,54
Galaksi TV	100,00	100,00	-	-	100,00	100,00	63,20	60,54
Koloni TV	90,00	90,00	3,33	3,33	93,33	93,33	56,75	54,40
Atılğan TV	100,00	90,00	-	3,33	100,00	93,33	63,05	54,40
Yörünge TV	100,00	99,19	-	0,40	100,00	99,59	63,20	60,05
Doruk Televizyon	99,92	99,92	0,05	0,05	99,97	99,97	63,00	60,40
Tematik TV	100,00	86,67	-	6,67	100,00	93,34	63,05	52,39
Süper Kanal	99,91	99,91	0,03	0,03	99,94	99,94	63,00	60,39
Uydu	100,00	64,67	-	32,00	100,00	96,67	63,20	39,14
Eko TV	95,01	95,01	0,02	0,02	95,03	95,03	59,90	57,43
Kanal D Romanya	100,00	100,00	-	-	100,00	100,00	69,70	69,57
Denizati	100,00	100,00	-	-	100,00	100,00	63,05	60,44
Tasfiye Halinde								
Protéma Yapım ⁽¹¹⁾	99,99	99,99	-	-	99,99	99,99	63,05	60,44
NetD Dijital Yayıncılık	100,00	100,00	-	-	100,00	100,00	63,05	60,44
Doğan Uydu Haberleşme	100,00	100,00	-	-	100,00	100,00	63,05	60,44
Doğan Teleshopping	100,00	100,00	-	-	100,00	100,00	63,05	60,44
ZAO NPK ⁽³⁾	100,00	100,00	-	-	100,00	100,00	45,61	45,61
Rapsodi Radyo	100,00	99,25	-	0,34	100,00	99,59	63,05	59,99
DMC	100,00	100,00	-	-	100,00	100,00	63,05	60,44
İnteraktif Medya	100,00	99,99	-	0,01	100,00	100,00	63,05	60,44
Ekin Radyo ⁽¹²⁾	100,00	-	-	-	100,00	-	63,05	-
DMK	100,00	100,00	-	-	100,00	100,00	100,00	100,00
Hürservis	100,00	100,00	-	-	100,00	100,00	95,61	95,60
Doğan Faktoring	100,00	100,00	-	-	100,00	100,00	75,26	75,11
Nartek	60,00	60,00	-	-	60,00	60,00	36,90	36,84
Milpa	86,27	86,27	0,22	0,22	86,49	86,49	86,27	86,27
Doğan Oto	100,00	99,80	-	0,20	100,00	100,00	100,00	99,80

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

2.1.3 Consolidation principles (Continued)

(a) Subsidiaries (Continued)

Subsidiaries	Proportion of Voting power held by Doğan Holding and its subsidiaries (%)		Proportion of voting power held by Doğan family members (%)		Total proportion of voting power held (%)		Proportion of effective ownership interest (%)	
	31March 2013	31December 2012	31March 2013	31December 2012	31 March 2013	31December 2012	31March 2013	31December 2012
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	85,00	84,83
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	100,00	100,00	-	-	100,00	100,00	100,00	98,68
Doğan Organik	100,00	100,00	-	-	100,00	100,00	98,57	98,57
Zigana	85,01	85,01	-	-	85,01	85,01	85,01	85,01
Doğan Enerji	100,00	100,00	-	-	100,00	100,00	100,00	100,00
Nakkaştepe Elektrik	100,00	100,00	-	-	100,00	100,00	100,00	100,00
Galata Wind	100,00	100,00	-	-	100,00	100,00	100,00	100,00
Akdeniz Elektrik	99,98	99,98	-	-	99,98	99,98	99,97	99,97
D-Yapı Romanya	100,00	100,00	-	-	100,00	100,00	100,00	100,00
D Stroy	100,00	100,00	-	-	100,00	100,00	100,00	100,00
DHI Investment	100,00	100,00	-	-	100,00	100,00	100,00	100,00

- (1) The related subsidiary is in the liquidation process as of 27 December 2010.
- (2) Related rates include call-options regarding non-controlling shares explained in Note 15
- (3) The related subsidiary is in the liquidation process as of 2012.
- (4) The related subsidiary is in the liquidation process as of 2011.
- (5) The related subsidiary has ceased its operations before the year 2010.
- (6) The merging process of the related subsidiary with OOO Pronto Rostov has been finalized as of April 2013
- (7) The related subsidiary was sold as of 23 April 2013.
- (8) The related subsidiary has ceased its operations in year 2012.
- (9) The merging process with Pronto Samara and the related subsidiary has started as of January 2013.
- (10) According to the statutory records of Group, proportion of effective ownership interest of Doğan TV Holding is 63.05%. In addition, in consequence of the option explained in Note 15, the operational results of Doğan TV Holding and its subsidiaries are included into the consolidation by the Group with the rate of 68,47% by considering the additional share proportion in accordance with IAS 32 "Financial Instruments: Presentation".
- (11) The related subsidiary is in the liquidation process as of 26 November 2012.
- (12) With the termination of the transfer of shares contract signed on 13 December 2011, the transfer of share transaction has been terminated as of 7 February 2013.

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

2.1.3 Consolidation principles (Continued)

(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 were consolidated using the proportional consolidation method until 31 December, 2012.

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

(c) 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 Group doesn't have any associates as of 31 March 2013 and 31 December 2012.

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

2.1.4 Offsetting

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

2.1.5 Comparative information

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 addition to restatement at the context of IFRS 11, Group has reclassified its prior period financial statements in order to comply with the presentation of its current period consolidated financial statements in the current year. The nature, amount and reason for the reclassifications are described below;

- Social Security Insurance Premium Discount” presented under “Other Income” amounting to TL 93 is presented by offsetting against administrative expenses and sales and marketing expenses.
- “Pos Service Fees” presented under “Finance Expenses” amounting to TL 1.329 is reclassified to “Marketing, Sales and Distribution Expenses”.
- “ Personnel expense in “General Administrative Expenses” amounting to TL 152 has been reclassified to “Cost of sales”.

The reclassifications made in the current period has no effect on consolidated net profit for the period and prior year’s profit/(loss).

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

Changes in accounting policies arising from the first time adoption of a new 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. Except the reclassifications stated in Note 2.1.5 and changes in IFRS 11 which become effective from 1 January 2013 Accounting policies applied in current period are consistent with accounting policies and accounting estimates applied in the preparation of consolidated financial statements for the period ended as of 31 December 2012.

- a. As a result of management’s decision made based on the Group management’s evaluation, the Group management decided to measure their investment properties at fair value which were previously carried at cost less accumulated depreciation and impairment charges, if any under the cost method in the consolidated financial statements. The effect of these changes are reflected in the consolidated financial statements as of 1 January 2010 and consolidated financial statements were restated accordingly in accordance with “IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors” (“IAS 8”). As a result of this amendment, as of 31 March 2012 and 31 December 2011, the investment properties of the Group have increased by TL 42.602 and TL 42.437; effects of this amendment to the shareholders’ equity and net loss for the period of the Group are TL 35.054 , TL 29.848 , TL 3.261 and TL 3.453 respectively.

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

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

- b. As explained in Note 2.1.7, amendments to IFRS 11 should be applied retrospectively. Jointly controlled entities recognized under IAS 31 are considered as joint ventures and have been accounted for using the equity method rather than the proportionate consolidation method in accordance with IFRS 11 and prior financial statements are restated accordingly. The effect of these changes to financial statements is summarized in the following table:

31 December 2012

Current Assets	Previously Reported	Adjustments regarding joint ventures	Restated
Cash and cash equivalent	2.242.262	(76.284)	2.165.978
Financial Investments	173.674	3.369	177.043
Trade receivables			
- Due from related parties	13.974	4.986	18.960
- Other trade receivables	727.320	(29.487)	697.833
Other receivables			
- Due from related parties	3.482	67.767	71.249
- Other receivables	420.781	-	420.781
Derivative financial instruments	1.102	(220)	882
Inventories	235.829	(3.925)	231.904
Biological Assets	208	-	208
Other current assets	374.640	(31.357)	343.283
Non-current assets			
Trade receivables	166.977	(164.760)	2.217
Other receivables	131.327	(25.087)	106.240
Financial investments	2.216	-	2.216
Investments accounted for by using the equity method	-	361.571	361.571
Investment property	336.225	(106.849)	229.376
Property, plant and equipment	1.648.983	(722.071)	926.912
Intangible assets	1.078.567	(72.527)	1.006.040
Goodwill	518.957	-	518.957
Deferred tax asset	116.468	(7.370)	109.098
Other non-current assets	475.654	(77.434)	398.220

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

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

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

31 December 2012

	Previously Reported	Adjustments regarding joint ventures	Restated
Current Liabilities			
Financial borrowings	1.567.766	(174.638)	1.393.128
Due to related parties	35.392	(17.543)	17.849
Other trade payables	377.518	(23.261)	354.257
Other financial liabilities	200.318	(37.050)	163.268
Other payables	102.216	(15.855)	86.361
Income tax payable	9.837	(8)	9.829
Derivative financial liabilities	2.730	(1.047)	1.683
Provision for payables	30.886	(716)	30.170
Other current liabilities	88.661	(6.358)	82.303
Non-Current Liabilities			
Financial borrowings	1.448.466	(492.144)	956.322
Other financial liabilities	314.924	(25.760)	289.164
Due to trade payables	36.636	(36.636)	-
Other payables	55.722	(42.415)	13.307
Employee benefits	98.377	(4.002)	94.375
Other non-current liabilities	12.503	(1)	12.502
Deferred tax liability	196.289	35	196.324

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

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

31 December 2012

Income Statement	Previously Reported	Adjustments regarding joint ventures	Restated
Sales	3.156.524	(94.731)	3.061.793
Cost of sales (-)	(2.211.509)	52.313	(2.159.196)
Gross profit	945.015	(42.418)	902.597
Marketing, sales and distribution expenses (-)	(411.229)	3.969	(407.260)
General administrative expenses (-)	(409.553)	41.978	(367.575)
Other operating income	341.560	2.462	344.022
Other operating expense(-)	(155.168)	3.934	(151.234)
Operating profit/ (loss)	310.625	9.925	320.550
Share of loss on investments accounted for by using the equity method.	-	22.306	22.306
Financial income	463.928	(59.180)	404.748
Financial expenses (-)	(450.584)	19.161	(431.423)
Profit/ (loss) before income taxes	323.969	(7.788)	316.181
Tax (expense) / income			
Current income tax expense	(84.205)	1.697	(82.508)
Deferred tax income/ (expense)	17.825	6.090	23.916
Profit/ (loss) for the period from continued operations	257.589	-	257.589

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

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

31 December 2011

Current Assets	Previously Reported	Adjustments regarding joint ventures	Restated
Cash and cash equivalents	3.468.486	(14.053)	3.454.433
Financial Investments	191.672	-	191.672
Trade receivables			
- Due from related parties	4.511	4.174	8.685
- Other trade receivables	679.652	(32.806)	646.846
Other receivables			
- Due from related parties	3.702	-	3.702
- Other receivables	34.858	11.492	46.350
Inventories	253.104	(3.267)	249.837
Derivatives	4.640	(4.640)	-
Biological Assets	74	-	74
Other current assets	268.410	(13.690)	254.720
Non-Current Assets			
Trade receivables	133.527	(133.253)	274
Other receivables	417.005	-	417.005
Inventories	18.096	-	18.096
Financial Investments	5.730	-	5.730
Investments accounted for by using the equity method	-	253.069	253.069
Investment properties	191.038	(10.796)	180.242
Property, plant and equipments	1.202.061	(533.062)	668.999
Intangible assets	727.226	(65.935)	661.291
Goodwill	539.951	-	539.951
Deferred tax assets	90.124	(14.240)	75.884

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

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

31 December 2011

Current Liabilities	Previously Reported	Adjustments regarding joint ventures	Restated
Financial Borrowings	934.850	(78.565)	856.285
Trade Payables			
- Due to related parties	246	24.641	24.887
- Other trade payables	444.997	(36.825)	408.172
Other financial liabilities	71.561	(3.637)	67.924
Other payables			
- Due to related parties	-	-	-
- Other payables	89.907	(2.400)	87.507
Income tax payable	38.858	(88)	38.770
Derivative financial liabilities	6.610	(1.680)	4.930
Debt provisions	44.093	(45)	44.048
Other current liabilities	396.167	(13.712)	382.455
Non-Current Liabilities			
Financial Borrowings	1.623.232	(482.303)	1.140.929
Other financial liabilities	456.520	(21.558)	434.962
Other payables	96.452	(34.669)	61.783
Debt provisions	265	242	507
Provision for employment termination benefits	49.311	(2.336)	46.975
Other non-current liabilities	405.583	(919)	404.664
Deferred tax liability	137.959	(217)	137.742
Retained earnings	(17.517)	-	(17.517)
Net profit/(loss) for the period	(753.735)	-	(753.735)
Non-controlling interests	822.005	(2.295)	819.710

- c. Also, the Group has started to capitalize subscriber acquisition costs in the current period. Subscriber acquisition costs paid by D-smart are capitalized over the subscription commitment period beginning from 1 January 2012 and capitalized amounts are recognized under intangible assets account.

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.

Except for the amendments mentioned above, accounting policies and accounting estimates applied in the current period are consistent with accounting policies and accounting estimates applied in the preparation of consolidated financial statements for the period ended as of 31 December 2012.

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

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

31 December 2011 Income Statements	Previously reported	Adjustment regarding joint ventures	Restated
Sales	2.860.678	(79.702)	2.780.976
Cost of sales (-)	(2.060.810)	44.030	(2.016.780)
Gross profit	799.868	(35.672)	764.196
Marketing, sales and distribution expenses (-)	(381.169)	22.971	(358.198)
General administrative expenses(-)	(394.371)	17.608	(376.763)
Other operating income	99.293	(793)	98.500
Other operating expense (-)	(1.213.403)	2.508	(1.210.895)
Operating profit/ (loss)	(1.089.782)	6.622	(1.083.160)
Share of loss on investments accounted for by using the equity method	-	(41.639)	(41.639)
Financial Income	972.076	44.252	1.016.328
Financial Expense (-)	(770.442)	(27)	(770.469)
Profit/(Loss) before income taxes	(888.148)	9.208	(878.940)
Tax (expense) / income			
Current income tax expense	(191.523)	1.270	(190.253)
Deferred tax income/ (expense)	(15.037)	(10.489)	(25.515)
Profit/ (loss) for the period from continued operations	(1.094.708)	-	(1.094.708)
Discontinued operations			
Net income for the period from discontinued operations after income taxes	132.278	-	132.278
Net profit/ (loss) for the period	(962.430)	-	(962.430)
Allocation of net profit/ (loss) for the period			
Attributable to non-controlling interests	(208.439)	(256)	(208.695)
Attributable to equity holders of the Parent Company	(753.735)	-	(753.735)
Net loss for period	(962.430)	-	(962.430)

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

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

31 March 2012 Income Statement	Previously Reported	Adjustments regarding joint ventures	Restated
Sales	745.588	(22.205)	723.383
Cost of sales (-)	(563.644)	17.260	(546.536)
Gross profit	181.944	(4.945)	176.847
Marketing, sales and distribution expenses (-)	(87.089)	4.796	(82.293)
General administrative expenses(-)	(94.133)	4.159	(89.822)
Other operating income	156.025	(277)	155.748
Other operating expense (-)	(15.652)	912	(14.740)
Operating profit/ (loss)	141.095	4.645	145.740
Share of loss on investments accounted for by using the equity method	-	18.286	18.286
Financial Income	688.866	(46.280)	642.586
Financial Expense (-)	(706.516)	17.491	(689.025)
Profit/(Loss) before income taxes	123.445	(5.858)	117.587
Tax (expense) / income			
Current income tax expense	(37.066)	267	(36.799)
Deferred tax income/ (expense)	(6.789)	5.591	(1.198)
Net loss for the period	79.590	-	79.590

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

2.1.7 New and Revised International Financial Reporting Standards:

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

(a) Standards effective from 1 January 2013 and have effect on the financial statements of the Group

New and revised Standards on consolidation, joint arrangements, associates and disclosures

In May 2011, a package of five Standards on consolidation, joint arrangements, associates and disclosures was issued, including IFRS 10, IFRS 11, IFRS 12, IAS 27 (as revised in 2011) and IAS 28 (as revised in 2011).

Key requirements of these five standards are described below.

IFRS 10 replaces the parts of IAS 27 *Consolidated and Separate Financial Statements* that deal with consolidated financial statements. SIC-12 *Consolidation - Special Purpose Entities* will be withdrawn upon the effective date of IFRS 10. Under IFRS 10, there is only one basis for consolidation, that is control. In addition, IFRS 10 includes a new definition of control that contains three elements: (a) power over an investee, (b) exposure, or rights, to variable returns from its involvement with the investee, and (c) the ability to use its power over the investee to affect the amount of the investor's return. Extensive guidance has been added in IFRS 10 to deal with complex scenarios.

IFRS 11 replaces IAS 31 *Interests in Joint Ventures*. IFRS 11 deals with how a joint arrangement of which two or more parties have joint control should be classified. SIC-13 *Jointly Controlled Entities - Non-monetary Contributions by Venturers* will be withdrawn upon the effective date of IFRS 11. Under IFRS 11, joint arrangements are classified as joint operations or joint ventures, depending on the rights and obligations of the parties to the arrangements. In contrast, under IAS 31, there are three types of joint arrangements: jointly controlled entities, jointly controlled assets and jointly controlled operations. In addition, joint ventures under IFRS 11 are required to be accounted for using the equity method of accounting, whereas jointly controlled entities under IAS 31 can be accounted for using the equity method of accounting or proportional consolidation.

IFRS 12 is a disclosure standard and is applicable to entities that have interests in subsidiaries, joint arrangements, associates and/or unconsolidated structured entities. In general, the disclosure requirements in IFRS 12 are more extensive than those in the current standards.

In June 2012, the amendments to IFRS 10, IFRS 11 and IFRS 12 were issued to clarify certain transitional guidance on the application of these IFRSs for the first time.

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

2.1.7 New and Revised International Financial Reporting Standards (Continued):

(a) Standards effective from 1 January 2013 and have effect on the financial statements of the Group (Continued)

These five standards together with the amendments regarding the transition guidance are effective for annual periods beginning on or after 1 January 2013. The application of these five standards, except for the amendments to IFRS 11, does not have a significant impact on amounts reported in the consolidated financial statements. These amendments should be applied retrospectively. Entities under common control recognized under IAS 31 are considered as joint ventures and have been accounted for by using the equity method rather than the proportionate consolidation method in accordance with IFRS 11 and prior period financial statements are restated accordingly as explained in detail in Note 2.1.6.

IAS 19 Employee Benefits

The amendments to IAS 19 change the accounting for defined benefit plans and termination benefits. The most significant change relates to the accounting for changes in defined benefit obligations and plan assets. The amendments require the recognition of changes in defined benefit obligations and in fair value of plan assets when they occur, and hence eliminate the 'corridor approach' permitted under the previous version of IAS 19 and accelerate the recognition of past service costs. The amendments require all actuarial gains and losses to be recognized immediately through other comprehensive income in order for the net pension asset or liability recognized in the consolidated statement of financial position to reflect the full value of the plan deficit or surplus. In 2012, the Group has decided to early adopt the amendments to IAS 19 which is applicable as of 1 January 2013. As of 31 December 2012, all actuarial gains and losses are recognized in other comprehensive income. Amendments to IAS 19 are required to be applied retrospectively. Accordingly, the Group management has evaluated the effect of changes in accounting policies to financial statements prepared for the period as of 31 March 2012 and decided that restatement of prior financial statements is not needed as calculated effects after tax are below the materiality level.

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

2.1.7 New and Revised International Financial Reporting Standards (Continued)

(b) Standards effective from 1 January 2013 and have no effect on the financial statements of the Group (Continued)

IAS 1 (Amendments)	<i>Presentation of Items of Other Comprehensive Income</i>
IAS 1 (Amendments)	<i>Clarification of the Requirements for Comparative Information</i>
IFRS 13	<i>Fair Value Measurement</i>
IFRS 7 (Amendments)	<i>Disclosures – Offsetting Financial Assets and Financial Liabilities</i>
Amendments to IFRSs	<i>Annual Improvements except for the amendment to IAS 1</i>
IFRIC 20	<i>Stripping Costs in the Production Phase of a Surface Mine</i>

(c) 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 standards that have been issued but are not yet effective:

IFRS 9	<i>Financial Instruments</i>
IFRS 9 and IFRS 7 (Amendments)	<i>Mandatory Effective Date of IFRS 9 and Transition Disclosures</i>
IAS 32 (Amendments)	<i>Offsetting Financial Assets and Financial Liabilities</i>

The above standards will be applicable for 2014 and the following years, the Group has not had an opportunity to consider the potential impact of the application of these standards over its financial statements. The applications of these standards in question are expected not to have a significant impact on the financial statements.

2.1.8 US dollar convenience translation

US dollar (“USD”) amounts shown in the consolidated financial statements have been included solely for the convenience of the reader and are translated from Turkish Lira (“TL”), as a matter of arithmetic computation only, at the Central Bank of the Republic of Turkey official TL exchange rate of TL 1,8087 = USD 1,00 on 31 March 2013. 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 TL amounts have been or could be converted into USD at this or any other rate.

NOTE 3 - BUSINESS COMBINATIONS

There aren’t any significant business combinations as of 31 March 2013 and 31 December 2012.

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NOTE 4 - INVESTMENTS ACCOUNTED FOR BY THE EQUITY METHOD

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

Joint Venture	Country	Nature of business	Entrepreneurial Partner
ASPM Holding B.V.	Netherland	Internet publishing	Autoscout24 GmbH
OOO Autoscout24	Russia	Internet publishing	Autoscout24 GmbH
Doğan Burda Dergi Yayıncılık ve Pazarlama A.Ş. ("Doğan Burda")	Turkey	Magazine publishing	Burda GmbH
DB Popüler Dergiler Yayıncılık A.Ş. ("DB Popüler")	Turkey	Magazine printing	Burda GmbH
Doğan ve Egmont Yayıncılık ve Yapımcılık Ticaret A.Ş. ("Doğan Egmont")	Turkey	Magazine publishing	Egmont
Dergi Pazarlama Planlama ve Ticaret A.Ş. ("DPP")	Turkey	Planning	Burda GmbH
Ultra Kablolu Televizyon ve Telekomünikasyon Sanayi ve Ticaret A.Ş. ("Ultra Kablolu")	Turkey	Telecommunication	Koç Holding A.Ş.
Birey Seçme ve Değerlendirme Danışmanlık Ltd. Şti. ("Birey İK")	Turkey	Internet services	Doğan Portal and Elektronik Ticaret A.Ş.
Katalog Yayın ve Tanıtım Hizmetleri A.Ş. ("Katalog")	Turkey	Guide publishing	Seat Pagine Gialle SPA
Tipeez İnternet Hizmetleri A.Ş. ("Tipeez")	Turkey	Internet publishing	Tweege Holdings LP.
DD Konut Finansman A.Ş. ("DD Konut Finansman")	Turkey	Housing finance	Deutsche Bank AG
Aslancık Elektrik Üretim A.Ş. ("Aslancık Elektrik")	Turkey	Energy	Doğuş Holding A.Ş. and Anadolu Endüstri Holding A.Ş.
D-Tes Elektrik Enerjisi Toptan Satış A.Ş. ("D Tes")	Turkey	Energy	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	Unit Investment N.V. Doğuş Holding A.Ş.
Tasfiye halinde İsedaş İstanbul Elektrik Dağıtım Sanayi ve Ticaret A.Ş. ("İsedaş")	Turkey	Energy	Tekser İnşaat Sanayi ve Ticaret A.Ş. and Çukurova Holding A.Ş.
Gas Plus Erbil Ltd. ("Gas Plus Erbil")	Jersey	Energy	Newage Alzarooni Limited
Nakkaştepe Gayrimenkul Yatırımları İnşaat Yönetim ve Ticaret A.Ş. ("Nakkaştepe Gayrimenkul")	Turkey	Real estate	Rönesans Gayrimenkul Investment A.Ş.
Kandilli Gayrimenkul Yatırımları Yönetim İnşaat ve Ticaret A.Ş.	Turkey	Real estate	Rönesans Gayrimenkul Investment A.Ş.

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

The table below sets out the Joint Ventures, the proportion of voting power held by Doğan Holding, its subsidiaries and Doğan family and effective ownership interests at 31 March 2013 and 31 December 2012:

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 2013	31 December 2012	31 March 2013	31 December 2012	31 March 2013	31 December 2012	31 March 2013	31 December 2012
ASPM Holding B.V.	37,88	37,88	-	-	37,88	37,88	23,26	23,26
OOO Autoscout24 ⁽¹⁾	37,88	37,88	-	-	37,88	37,88	23,26	23,26
DB	44,89	44,89	0,49	0,49	45,38	45,38	34,00	33,93
DB Popüler ⁽²⁾	44,87	44,87	0,01	0,01	44,88	44,88	33,99	33,92
Doğan Egmont	50,00	50,00	-	-	50,00	50,00	37,87	37,80
DPP	46,00	46,00	10,00	10,00	56,00	56,00	34,83	34,76
Ultra Kablolu ⁽³⁾	50,00	50,00	-	-	50,00	50,00	37,87	37,80
Birey İK	50,00	50,00	50,00	50,00	100,00	100,00	26,80	26,74
Katalog ⁽⁴⁾	50,00	50,00	-	-	50,00	50,00	37,87	37,80
Tipeez	30,00	30,00	-	-	30,00	30,00	18,45	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 ⁽⁵⁾	45,00	45,00	-	-	45,00	45,00	45,00	45,00
Gas Plus Erbil	50,00	50,00	-	-	50,00	50,00	50,00	50,00
Nakkaştepe Gayrimenkul	50,00	50,00	-	-	50,00	50,00	50,00	50,00
Kandilli Gayrimenkul	50,00	50,00	-	-	50,00	50,00	50,00	50,00

- (1) The related joint venture is in the liquidation process as of February 19, 2013.
- (2) At the Annual General Meeting held on 25 March 2013, it has been decided to liquidate DB Populer Dergiler Yayıncılık A.Ş due to the absence of any benefit from the operations of the Company.
- (3) Operations have been terminated as of November, 2006.
- (4) Operations have been terminated as of September, 2009.
- (5) The related joint venture is in the liquidation process as of August 19, 2011.

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

Currents assets, non-current assets, current and non-current liabilities, sales, gross profit, net profit for period and equity attributable to Doğan Holding of the joint ventures consolidated by using the equity method in the consolidated financial statements, are as follows:

	31 March 2013	31 December 2012
Current assets	315.699	339.549
Non-current assets	3.249.449	3.199.894
Total assets	3.565.148	3.539.443
Current liabilities	760.375	897.454
Non-current liabilities	1.866.122	1.721.909
Total liabilities	2.626.497	2.619.363
Net assets	938.651	920.080
Group's share in net assets of investment accounted for by the equity method	371.813	361.571
	1 January- 31 March 2013	1 January- 31 March 2012
Income Statements:		
Sales	121.403	52.941
Cost of sales (-)	(69.659)	(38.401)
Gross profit	51.744	14.540
Marketing, sales and distribution expenses (-)	(13.076)	(13.945)
General administrative expenses (-)	(25.704)	(9.122)
Other operating income/expenses, net	(577)	(1.504)
Financial income/expenses (-), net	(44.153)	965
Profit/ (loss) before income taxes	(31.766)	(9.066)
Current income tax expense	(156)	(561)
Deferred tax income/ (expense)	6.727	(17.067)
Net profit / (loss) from continued operations	(25.195)	(26.694)
Net profit/ (loss) for the period	(25.195)	(26.694)
Group's share in net profit of investment accounted for by the equity method	(7.970)	18.286

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

Financial Liabilities

	31 March 2013	31 December 2012
Boyabat Elektrik	1.375.483	1.334.678
Aslancık Elektrik	271.585	244.781
DD Konut Finansman	242.033	297.909
Other	9.443	9.473
Total	1.898.544	1.886.841

Financial Liabilities

Boyabat Elektrik

Group's joint venture Boyabat Elektrik's construction of 513MW installed capacity dam-type hydroelectric power plant project at the township Boyabat in the province Sinop is after obtaining the necessary regulatory approvals became operational in 5 December 2012. Boyabat Elektrik's investment has been financed with the combination of debt and equity. According to preliminary protocol signed on 25 July 2008 and 31 August 2009 and credit contract signed on 15 January 2010, USD 750.000 credit is provided to Boyabat Elektrik by Turkish commerce banks' consortium. Boyabat Elektrik used the funds amounted USD 750.000 of mentioned financing package on various dates until 31 December, 2012.

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

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

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 Elektrik were pledged on behalf of consortium of lender banks.

Aslancık Elektrik

Group's joint venture Aslancık Elektrik's construction of 120 MWm /93 MWe installed capacity hydro energy production facility in Giresun, Doğankent began in 2010 and scheduled to be completed in 2013. Based on the loan agreement signed on 24 January 2011, in total USD 160.000 of loan was planned to be provided to Aslancık Elektrik In this context, Aslancık Elektrik used USD 137.317 amounted bank loan. Group pledged the entire shares of Aslancık Elektrik on behalf of financial institutions according to the loan agreement discussed above.

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

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

Fixed Assets

	31 March 2013	31 December 2012
Boyabat Elektrik	1.900.219	1.914.617
Aslancık Elektrik	309.750	274.942
DD Mortgage	1.680	1.801
Other	5.756	6.139
Total	2.217.405	2.197.499

Total amount of depreciation and amortization related with investments accounted for by the equity method is TL 5.172 (31 March 2012:TL 81).

NOTE 5 - SEGMENT REPORTING

a) External revenues

	2013	2012
Media	608.496	584.937
Retail	93.405	81.112
Other	78.093	57.334
	779.994	723.383

b) Profit /(loss) before income taxes

	2013	2012
Media	(24.984)	184.056
Retail	919	3.446
Other	13.120	(69.915)
	(10.945)	117.587

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NOTE 5 - SEGMENT REPORTING (continued)

c) Segmental analysis for the period ended 31 March 2013;

	Media	Retail	Other	Inter-segment elimination	Total
External revenues	608.496	93.405	78.093	-	779.994
Intra segment revenues	339.403	858	3.404	-	343.665
Inter segment revenues	3.962	495	12.829	-	17.286
Total revenues	951.861	94.758	94.326	-	1.140.945
Total cost of sales	(704.946)	(59.933)	(72.000)	-	(836.879)
Revenues	612.458	93.900	90.922	(17.286)	779.994
Cost of sales	(452.888)	(59.585)	(73.505)	3.493	(582.485)
Gross profit	159.570	34.315	17.417	(13.793)	197.509
Marketing, selling and distribution expenses	(69.610)	(30.981)	(3.028)	173	(103.446)
General administrative expenses	(79.547)	(2.112)	(21.380)	13.620	(89.419)
Other income/(expenses), net	(17.019)	177	(1.302)	-	(18.144)
Share of gain/ (loss) on investments accounted for by using equity method	406	-	(8.376)	-	(7.970)
Financial income	38.491	2.463	48.043	(1.560)	87.437
Financial expenses	(57.275)	(2.943)	(18.254)	1.560	(76.912)
(Loss)/ Profit before income taxes	(24.984)	919	13.120	-	(10.945)

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NOTE 5 - SEGMENT REPORTING (continued)

c) Segmental analysis for the period ended 31 March 2012;

	Media⁽¹⁾	Retail	Other⁽¹⁾	Inter-segment elimination	Total
External revenues	584.937	81.112	57.334	-	723.383
Intra segment revenues	368.023	-	1.137	-	369.160
Inter segment revenues	4.018	506	7.223	-	11.747
Total revenues	956.978	81.618	65.694	-	1.104.290
Total cost of sales	(757.949)	(52.088)	(53.352)	-	(863.389)
Revenues	588.955	81.618	64.557	(11.747)	723.383
Cost of sales	(441.110)	(52.088)	(53.338)	-	(546.536)
Gross Profit	147.845	29.530	11.219	(11.747)	176.847
Marketing, selling and distribution expenses	(56.772)	(26.057)	(2.896)	3.432	(82.293)
General administrative expenses	(76.736)	(1.946)	(18.072)	6.932	(89.822)
Other income/(expenses), net	137.693	(24)	3.675	(336)	141.008
Share of gain/ (loss) on investments accounted for by using equity method	(4.344)	-	22.630	-	18.286
Financial income	142.003	3.048	497.679	(144)	642.586
Financial expenses	(105.633)	(1.105)	(584.150)	1.863	(689.025)
(Loss)/ Profit before income taxes	184.056	3.446	(69.915)	-	117.587

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

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NOTE 5 - SEGMENT REPORTING (continued)

d) Segment assets

	31 March 2013	31 December 2012
<u>Total assets</u>		
Media ⁽¹⁾	3.688.808	3.922.143
Retail	156.269	155.177
Other	5.679.127	5.754.255
	9.524.204	9.831.575
Less: segment elimination ⁽²⁾	(2.074.492)	(2.042.607)
Total assets per consolidated financial statements	7.449.712	7.788.968
<u>Shareholder's Equity</u>		
Media ⁽¹⁾	1.380.660	1.420.467
Retail	53.527	51.335
Other	4.549.328	4.548.198
Total	5.983.515	6.020.000
Less: segment elimination ⁽³⁾	(1.931.881)	(1.931.874)
Total shareholders' equity per consolidated financial statements	4.051.634	4.088.126
Non-controlling interests	(894.028)	(907.120)
Total shareholder's equity	3.157.606	3.181.006

(1) Due to the Doğan Havacılık is controlled by the Group, which has been consolidated as media operating segment to Doğan Yayın Holding's consolidated financial statements with equity method in 2011, 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. Because of the share sales of Doğan Yayın Holding's on Doğan Havacılık as of December 31, 2012, there is not any deduction process from media operations.

(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 2013	31 March 2012
<u>Purchases</u>		
Media	50.727	66.153
Retail	779	4.790
Other	7.462	6.862
Total	58.968	77.805
<u>Amortisation and depreciation</u>		
Media	46.248	43.531
Retail	1.707	1.674
Other	10.943	5.694
Total	58.898	50.899

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NOTE 6 - CASH AND CASH EQUIVALENTS

The details of cash and cash equivalents at 31 March 2013 and 31 December 2012 are as follows:

	31 March 2013	31 December 2012
Cash	2.649	2.401
Banks		
-Demand deposits	88.269	62.890
- Time deposits ⁽¹⁾	1.597.669	1.906.516
Other current assets	258.298	194.171
	1.946.885	2.165.978

⁽¹⁾ As explained in detail in Note 8, regarding the usage of "put option" by Deutsche Bank AG as of 19 February 2013 and Doğan Yayın Holding's purchase of the 22% shares of Doğan Gazetecilik in consideration of USD 122.323, a portion of the payment has been made thorough time deposits.

The time deposits of the Group are mainly composed of USD, EUR and TL and the effective interest rates of USD, EUR and TL denominated time deposits are between 0,25% and 5,99% (31 December 2012: 0,1% and 6%), 0,15% and 6,75% (31 December 2012: 0,25% and 6,75%) and 3,75% and 12,3% (31 December 2012: 3% and 12,3%), respectively and its maturity is shorter than 3 months.

As of 31 March 2013, other current assets consist of credit card slip receivables amounting to TL 48.439 (31 December 2012: TL 49.068) and blocked deposits amounting to TL 209.859 (31 December 2012: TL 145.142).

Cash and cash equivalents disclosed in the consolidated statements of cash flows for the periods ended 31 March 2013, 31 December 2012 and 31 March 2012 are as follows.

	31 March 2013	31 December 2012	31 March 2012	31 December 2011
Cash and cash equivalents	1.946.885	2.165.978	2.683.476	3.454.433
Accrued interest (-)	(13.390)	(29.833)	(8.758)	(10.460)
Cash and cash equivalents	1.933.495	2.136.145	2.674.718	3.443.973

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NOTE 7 - FINANCIAL INVESTMENTS

a) Current financial investments

	31 March 2013	31 December 2012
Government bonds and treasury bills	186.443	177.043
	186.443	177.043

Government bonds and treasury bills dominated in TL and US Dollar, and interest rates are %9,48 and 5,17%, respectively (31 December 2012: US Dollar 5,17%, TL:9,48%). As of 31 December 2012, there is no time deposits denominated in TL and US Dollar.

b) Financial derivative assets

	31 March 2013	31 December 2012
Valuation of interest rate swap agreements (Note 8)	311	-
Term foreign currency purchase and sale transactions (Note 8)	2.346	882
	2.657	882

c) Non-current financial investments

	31 March 2013		31 December 2012	
	TL	%	TL	%
Marbleton Property Fund L.P ("Marbleton") ⁽¹⁾	8.809	9	8.809	9
Aks Televizyon Reklamcılık ve Filmcilik Sanayi ve Ticaret A.Ş. ("Aks TV")	2.923	9	2.923	9
POAŞ ⁽²⁾	1.115	0,03	897	0,03
Anten Teknik Hizmetler ve Verici Tesis İşletme A.Ş.	800	-	787	-
Other	379	-	532	-
Less: provision for impairment ⁽³⁾	(11.732)		(11.732)	
	2.294		2.216	

(1) The investment portfolio of Marbleton is sold and converted into cash in the current period and US Dollar 1.968 for TL 3.345 cash was obtained as of 31.12.2012 Amounting to TL 8.809 for the whole of the remaining balance of the provision in prior periods are preserved.

(2) 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 2013, 192.500 shares that Group owns are recognized at fair value, which is calculated by using the market price of shares.

(3) As of 31 March 2013 available for sale financial assets except POAŞ are carried at the cost value. There are TL 8.809 and TL 2.923 impairment on Marbleton and Aks TV, respectively (31 December 2012: TL 8.809 and TL 2.923).

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NOTE 8 - FINANCIAL BORROWINGS

Short-term financial borrowings:	31 March 2013	31 December 2012
Short term bank borrowings	661.748	811.263
Short-term portion of long-term bank borrowings	266.559	323.287
Financial borrowings related with options	-	216.190
Interest bearing payables to suppliers	26.248	34.193
Finance lease borrowings	8.019	8.195
	962.574	1.393.128
Long-term financial borrowings:	31 March 2013	31 December 2012
Long term bank borrowings	1.137.610	934.905
Interest bearing payables to suppliers	8.780	6.929
Finance lease borrowings	12.322	14.488
	1.158.712	956.322

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NOTE 8 - FINANCIAL BORROWINGS (continued)

Details of the bank borrowings as of 31 March 2013 and 31 December 2012 are as follows:

	31 March 2013			31 December 2012		
	Interest rate per annum (%)	Original foreign currency	TL	Interest rate per annum (%)	Original foreign currency	TL
TL denominated bank borrowings	4-13,125	188.356	188.356	0-12	181.322	181.322
USD denominated bank borrowings	3,5-5,85	215.001	388.872	3,5-6,4	295.676	527.072
EUR denominated bank borrowings	1,12-6,76	36.448	84.520	4,5-5,78	43.742	102.869
Sub-total			661.748			811.263
Short-term portion of long-term bank borrowings:						
TL denominated bank borrowings	-	2.548	2.548	4-13,125	1.106	1.106
USD denominated bank borrowings	0-9,23	124.427	225.052	2,65-5,85	160.916	286.849
EUR denominated bank borrowings	1,8-5,12	16.801	38.959	1,3-6,5	15.024	35.332
Sub-total			226.559			323.287
Total short-term bank borrowings			928.307			1.134.550
Long-term bank borrowings:						
TL denominated bank borrowings	0-9,75	900	900	-	-	-
USD denominated bank borrowings	4,05-6,25	485.298	877.758	4,13-6,12	367.542	655.180
EUR denominated bank borrowings	1,8-5,12	111.670	258.952	1,8-5,11	118.946	279.725
Total long-term bank borrowings			1.137.610			934.905

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NOTE 8 - FINANCIAL BORROWINGS (continued)

i) Borrowings

The redemption schedule of long-term bank borrowings is as follows

	31 March 2013	31 December 2012
2014	376.279	-
2015	344.381	495.626
2016	137.202	439.279
2017 and after	279.748	-
	1.137.610	934.905

As of 31 March 2013, the floating rate bank borrowings of the Group denominated in USD have interest rates fluctuating between Libor + 0,95% and Libor + 6,25% (London Interbank Offered Rate) (December 31, 2012: Libor + 0,95% and + 6,89%), TL-denominated floating rate loans with interest rates of Libor + 2,0% Libor + 2,06%, (December 31, 2012: LIBOR + 2,15% to LIBOR + 2,75%), and the Euro denominated floating rate of Euribor + 0,95% of loans with interest rates of Euribor + 6,0% (December 31, 2012: Euribor + 0,95% and Euribor + 6,19%), respectively.

Carrying value of the financial liabilities is considered to approximate their fair value since discount effect is not material. Group borrows loans on fixed and floating interest rates. At 31 March 2013, bank borrowings with floating interest rates amounted to TL 1.342.791 (31 December 2012: TL 2.173.601).

Commitments and financial terms about borrowings

Media

OOO Pronto Moscow, one of the indirect subsidiaries of the Group, has restructured its bank loan classified under the short-term financial liabilities as of 31 December 2012 amounting to USD 70.000 in January 2013 and the above-mentioned loan has been classified under the long-term financial liabilities in the current period. Also, interest rate applied has decreased to 6,25% from 6,40% as of 31 December 2012.

Other

Akdeniz and Galata Wind

Subsidiaries of the Group in respect of the loans used by Akdeniz Elektrik and Galata Wind certain financial covenants that must be met are available. Defined in the credit agreement "Debt Service Coverage Ratio" (DSCR) should be minimum 1.10. Borrowers and guarantors, committed DSCR to be at this level until the debt has been paid back completely. The minimum rate of DSCR, determined by loan agreement remained below two times in a row and then deemed in a default state when not decrease to the minimum level of DSCR through an capital increase. DSCR calculations will be made every six months

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NOTE 8 - FINANCIAL BORROWINGS (continued)

i) Borrowings (continued)

Share Pledges

As of the balance sheet date, 11,3% and 15% shares of Doğan Yayın Holding (226.354.060 (exact) and 300.000.000 (exact) shares), 13,3% shares of Hürriyet (73.200.000 (exact) shares), 20,87% shares of Kanal D (10.747.548 (exact) shares) , 67,3% shares of TME (33.649.091 (exact) shares) were given as pledges to financial institutions in respect of the long-term financial borrowings of the Group. Deutsche Bank AG has used its "call" option right as of 19 February 2013 and sold 22% shares of Doğan Gazetecilik to Doğan Yayın Holding in consideration of USD 122.323 and as a result of this transaction, 11,3% shares of Doğan Yayın Holding (226.354.060 (exact) shares) and 13,3% shares of Hürriyet (73.200.000 (exact) shares) have been repurchased. In addition, 67,3% shares of TME (33.649.091 (exact) shares) have been repurchased as a result of full payment of participation loan borrowed as at 4 January 2013 in relation to the acquisition of TME..

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 TL 1, which correspond to 22% of Doğan Gazetecilik's issued capital amounting to TL 78.000, are sold to Deutsche Bank AG during the capital raise to TL 100.000 on 19 November 2007 in the ISE Wholesale Market in consideration of USD 4,0 (exact) per share (initial price) (TL 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. 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 of 31 December 2012. As per the put option agreement, the put option exercise price is calculated by considering the initial price and the interest rate of 6,46% .

Maturities of both agreements are 5 years 3 months and both of them ended at 19 February 2013. As of 20 February 2013, Deutsche Bank AG has used its "call" option right and sold 22% shares of Doğan Gazetecilik to Doğan Yayın Holding in consideration of USD 122.323. In this regard, Doğan Yayın Holding has no outstanding liability as of 31 March 2013.

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NOTE 8 - FINANCIAL BORROWINGS (continued)

iii) Finance lease liabilities:

The Group acquired property, plant and equipment through finance leases. As of 31 March 2013, total lease payment commitments of the Group relating to such short and long term lease agreements amount to TL 20.341 (31 December 2012: TL 22.683).

The redemption schedules of long-term leasing payables at 31 March 2013 and 31 December 2012 are summarized below.

	31 March 2013	31 December 2012
2014	6.032	8.130
2015 and after	6.290	6.358
	12.322	14.488

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 Doğan Yayın Holding. Interest rates of these short and long-term payables in USD, EUR, CHF are 2,75%, 1,08%-4,30% and 1,08%, respectively (31 December 2012: USD 0,91%, EUR 1,22%, CHF 1,07%).

The maturity analysis of long-term interest bearing payables to suppliers at 31 March 2013 and 31 December 2012 is as follows:

	31 March 2013	31 December 2012
2014	5.075	6.929
2015 and after	3.705	-
Total	8.780	6.929

The Group's short-term financial liabilities to suppliers issued at variable interest rates are amounting to TL 26.248 (31 December 2012: TL 34.193) and long-term financial liabilities TL 8.870 as of 31 March 2013 (31 December 2012: TL 6.929).

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NOTE 8 - FINANCIAL BORROWINGS (continued)

iv) Interest bearing payables to suppliers (continued)

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 2013	31 December 2012
6 months and less	33.080	41.122
Between 1-5 years	1.948	-
Total	35.028	41.122

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

Allocation of loans with fixed and floating interest rates of the Group as of 31 March 2013 and 31 December 2012 as follows:

	31 March 2013	31 December 2012
Loans with fixed interest rates	503.157	801.509
Loans with floating interest rates	1.342.791	2.173.601
Total	1.845.948	2.975.110

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NOTE 8 - FINANCIAL BORROWINGS (continued)

v) Other financial liabilities

As of March 31, 2013 and December 31, 2012 are presented below details of other financial liabilities.

Other short term financial liabilities:	31 March 2013	31 December 2012
Share purchase commitment (Note 16)	157.636	162.849
Factoring payables	-	419
	157.636	163.268

Other long term financial liabilities:	31 March 2013	31 December 2012
Share purchase commitment (Note 16)	142.872	289.164
	142.872	289.164

Derivative financial liabilities:	31 March 2013	31 December 2012
Interest rate swap transactions	1.711	1.683
	1.711	1.683

1) Swap transactions in foreign exchange

Group has made Euro swap agreement regarding to bank loans amounting USD 20.974 (31 December 2012: USD 25.222) during the period. As of 31 March 2013 the fair value of swap transactions are TL 2.346 (31 December 2012: TL 882 financial asset)

2) Interest rate interval swap transactions

Doğan TV Holding, one of the subsidiaries of the Group, had an interest rate swap agreement amounting to USD 33.333 related with bank borrowings to convert floating interest rate to fixed interest rate for its loan. According to the agreement, interest expense of loan was fixed until 23 May 2014. Financial liability recognised as of 31 March 2013, regarding these agreements amounted to TL 1.711 (31 December 2012: TL 1.683). TL 311 financial income is recognised during the period regarding these agreements (31 December 2012: None)

3) Interest rate swap transactions

There is no interest rate swap transactions as of 31 December 2012.

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NOTE 9 - TRADE RECEIVABLES AND PAYABLES

<u>Short-term trade receivables</u>	31 March 2013	31 December 2012
Trade receivables	927.352	870.012
Notes and cheques receivable	36.517	35.110
Total	963.869	905.122
Unearned financial income due to sales with maturity	(3.744)	(5.445)
Provision for doubtful receivables(-)	(206.999)	(201.844)
	753.126	697.833

In the media segment of the Group, the average maturity of not overdue trade receivables is between 67 and 98 days as of the balance sheet date (31 December 2012: 67-98 days).

In the media segment of the Group, the average maturity of not overdue trade receivables is 45 days as of the balance sheet date (31 December 2012: 45 days).

In the other segment of the Group, the average maturity of not overdue trade receivables is between 30 and 90 days as of the balance sheet date (31 December 2012: 40-90 days). Average discount rate calculated as annual compound of trade receivables is 8,73% (31 December 2012: 10,03%).

<u>Long-term trade receivables</u>	31 March 2013	31 December 2012
Notes and cheques receivable ⁽¹⁾	2.644	2.800
Unearned financial income due to sales with maturity	(502)	(583)
	2.142	2.217

(1) Notes receivables consist of sales with maturity of Milpa Automall Project a subsidiary of the group in 2012.

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NOTE 9 - TRADE RECEIVABLES AND PAYABLES (continued)

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

	2013	2012
As of 1 January	201.844	176.210
Provision booked in the current period (Note 23)	8.047	3.006
Collections and cancelled provisions	(2.325)	(3.777)
Currency translation differences	(567)	224
31 March	206.999	175.663

Aging analysis of trade receivables

As of 31 March 2013, trade receivables of amounting to TL 204.987 (31 December 2012: TL 145.464) 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 2013, the Group has letters of guarantee, guarantee notes, guarantee cheques and mortgages amounting to TL 44.126 (31 December 2012: TL 64.939) related to trade receivables amounting to TL 755.628 (31 December 2012: TL 700.050). The guarantees received for the total trade receivables of the Group consist of bank guarantee letter amounting to TL 5.883 (31 December 2012: TL 20.992), bails and mortgages amounting to TL 33.071 (31 December 2012: TL 37.196) and cheques and bonds amounting to TL 5.172 (31 December 2012: TL 6.821). Bank guarantee letter amounting to TL 4.264, bails and mortgages amounting to TL 16.792, cheques and bonds amounting to TL 2.992 (31 December 2012: bank guarantee letter amounting to TL 3.620, bails and mortgages amounting to TL 17.523, cheques and bonds amounting to TL 3.167 (Note 29)

Short-term trade payables

	31 March 2013	31 December 2012
Trade payables	383.888	349.330
Notes payable	5.609	6.637
Other	421	288
Less: deferred financial expense due to purchase with maturity	(386)	(1.998)
	389.532	354.257

The average maturity of not over due trade payables is between 30 to 65 days as of 31 March 2013 (31 December 2012: 30-80 days).

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NOTE 10 – OTHER RECEIVABLES

	31 March 2013	31 December 2012
Other short-term receivables		
Notes receivable ^{(1) (2) (3)}	423.099	417.212
Deposits and guarantees given	1.414	1.583
Other miscellaneous receivables	1.889	1.986
	426.402	420.781
Other long-term receivables		
Notes receivable ^{(1) (2) (3) (4)}	71.632	95.557
TEİAŞ power transmission line receivables ⁽⁵⁾	8.538	8.383
Deposits and guarantees given	2.692	2.300
	82.862	106.240

- (1) TL 27.000 (31 December 2012: TL 26.681) of short-term notes receivables and TL 25.904 (31 December 2012: TL 32.318) of long-term notes receivables are composed from the sales of shares of Bağımsız Gazeteciler and all Milliyet brand, royalties and internet domain names to DK Gazetecilik ve Yayıncılık A.Ş at 2 May 2011. Notes receivables are shown at discounted amounts. The discount amount as of 31 March 2013 is TL 700 (31 December 2012: TL 734).
- (2) Excluding the accrued interest, TL 318.331 (USD 176 million) of long term notes receivables as of 31 March 2013 (31 December 2012: TL 313.738) consists of the receivables from Doğuş Yayın Grubu regarding the sale of shares of Işıl Televizyonculuk Yayıncılık A.Ş (Star TV) as of 3 November, 2011. 3,58% of annual interest rate is applied to the related amount. TL 2.820 of interest accrual is recognized in short-term notes receivables regarding this receivable as of 31 March 2013. The maturity of the receivable is 2 November 2013. Doğuş Holding A.Ş. has become the guarantor for the related receivable.
- (3) Hürriyet, a subsidiary of the Group, sold the properties that consist of 58.609,45 m2 land and buildings, including the building that has been used as company headquarters for 28 years (Hürriyet Media Towers) in Bağcılar, İstanbul to Nurol Gayrimenkul Yatırım Ortaklığı in consideration of USD 127.500 (TL 225.994), excluding late interest. USD 17.500 of the consideration was paid in cash and the remaining portion which amounts to USD 110.000 is payable in 32 equal installments as of 6 March 2012 by applying 3,5% interest rate for the remaining installment portions. As of 31 March 2013, USD 41.250 (TL 74.609) of the related consideration is recognized as short-term notes receivables and cheques and USD 24.063 (TL 43.522) is recognized as long term notes receivables and cheques in the accompanying consolidated financial statements. Interest amount that is collectible in relation to principal amount is USD 6.396. USD 3.638 (TL 6.449) of the related amount, excluding VAT, has been collected and is recognized as finance income in the accompanying financial statements in the current period. Interest accrual calculated by using the effective interest rate in the current period amounts to USD 187 (TL 339) and is recognized as short-term notes receivables and cheques and finance income in the accompanying financial statements.
- (4) Long-term notes receivable amounting to TL2.206 (31 December 2012: TL 1.962) consist of the notes receivables of other subsidiaries.
- (5) The amount consists of the receivables of Akdeniz Elektrik and Galata Elektrik from the power transmission line of TEİAŞ

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NOTE 10 – OTHER RECEIVABLES (continued)

	31 March 2013	31 December 2012
Other Short Term Payables		
Taxes and funds payable	52.019	61.084
Advances received	17.178	7.594
Due to personnel	9.861	16.834
Deposits and guarantees received	468	703
Other short term payables	1.941	146
	81.467	86.361

	31 March 2013	31 December 2012
Other Long Term Payables		
Deposits and guarantees received	13.047	13.032
Other long term payables	744	275
	13.791	13.307

NOTE 11 - BIOLOGICAL ASSETS

Biological assets of Doğan Organik a Group's subsidiary amounted to TL 263 as of 31 March 2013 . (31 December 2012: TL 208).

NOTE 12 - INVESTMENT PROPERTY

The movements in investment property during the interim periods ended 31 March 2013 and 2012 are as follows.

	2013	2012
1 January	229.376	180.242
Additions	7.158	7.164
Disposals	(9.017)	(8.104)
Transfers	(227)	-
Adjustment of fair value	580	(710)
31 March	227.870	178.592

With the decision taken by the Group management as a result of the assessment, decided to present their investment properties from fair value amounts which were presented from their cost values less any accumulated depreciation and any accumulated impairment losses, if any, in the prior period consolidated financial statements (Note 2.1.6). In this context, investment properties of the Group at 31 December 2012, 31 December 2011 and 31 December 2010, are valued under the Capital Markets Law.

The group has rent income amounting to TL 685 from investment properties (31 March 2012: TL 1.386). Direct operating costs in the current period resulting from investment property is TL 259 (31 March 2012: TL 107). There is no collateral or mortgage on investment properties of the Group as of 31 March 2013.

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NOTE 13 - 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 2013 and 2012 are as follows:

	2013	2012
1 January	926.912	668.999
Additions to construction in progress	7.403	13.509
Other additions	27.525	40.831
Depreciation (-)(Note 22)	(35.584)	(29.357)
Disposals (-)	(11.093)	(14.904)
Transfers	(1.301)	2.040
Assets held for sale	(13)	-
Disposal of subsidiary	(197)	(43)
Currency translation differences	(729)	(245)
31 March	912.923	680.830

There is mortgage amounting to TL 15.073 (31 December 2012: TL 15.286) on the property, plant and equipment as of 31 March 2013. The carrying amount of the property, plant and equipment of the Group acquired thorough finance leases as of 31 March 2013 is TL 49.633 (31 December 2012:51.589). The accumulated depreciation as of 31 March 2013 is TL 30.694 (31 December 2012: 25.565).

Financial expenses monitored in costs consists of interest expense and fx loss which capitalized under construction in progress TL 515 (31 March 2012: - TL).

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NOTE 13 - 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 2013 and 2012 are as follows:

	2013	2012
1 January	949.052	596.995
Additions	6.986	9.561
Amortization (-) (Note 22)	(17.316)	(11.302)
Disposals (-)	-	(1.784)
Addition of subsidiary	(460)	-
Transfers (-)	-	2
Currency translation differences	(2.355)	27.557
31 March	935.907	621.029

Movement of television program rights ended at 31 March 2013 and 2012 are as follows:

	2013	2012
1 January	56.988	64.296
Additions	9.896	6.740
Amortization of television programme rights (-) (Note 22)	(5.998)	(10.240)
Provision for impairment of television programme rights (-)	(27)	(85)
Currency translation differences	(38)	(218)
31 March	60.821	60.493

TL 119 (31 March 2012:TL 119) of depreciation and amortization amount of tangible and intangible assets has reflected to inventories as of 31 March 2013.

Intangible assets with indefinite useful lives

As at 31 March 2013, the Group has determined that brand names with carrying value of TL 266.571 have indefinite useful lives (31 December 2012: TL 269.360) (Note 2). The utilization period of brand names with indefinite useful lives, as expected by the Group, is determined based on the stability of the industry, changes in market demands as to the products and services provided through assets, control period over the assets and legal or similar restrictions on their utilization.

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NOTE 14- GOODWILL

Movement of the goodwill for the three-months periods interim ended as of 31 March 2013 and 2012 is as follows.

	2013	2012
1 January	518.957	539.951
Classified as asset held for sale	(8.991)	-
Currency translation difference	(776)	3.299
Other ⁽¹⁾	(1.396)	2.341
31 March	507.794	545.591

(1) Other relates to the changes in fair value of put options (Note 2.2).

NOTE 15 - GOVERNMENT GRANTS

- Group obtained six investment incentives certificate for the imported equipments amounting to USD 13.661 and domestic equipments amounting to TL 1.280 for the modernization of its printing plants in Istanbul, Ankara, Izmir, Adana, Antalya and Trabzon on 28 October, 2, 4 November and 30 December 2011. The agreements are valid for two years and equipment imported within the scope of the certificate is exempt from Customs Duty and VAT. The investments amounting to USD 13.595 for imported equipments and TL 11.502 for domestic equipments are realized within these certificates as of 31 March 2013 (31 December 2012: Imported equipments USD 13.450 and domestic equipments TL 1.280).
- 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 TL 134 (2012: TL 164) is reflected in the financial statements as income from other operations.

Ditaş obtained incentive certificate at 27 January 2011 from Turkish Treasury of Incentive Executive General Directorate for making the investment amounting TL 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. TL 520 of Investments have been done to equipments by Ditaş are in incentive scope. (31 March 2012: 22 TL)

NOTE 16 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

Short-term provisions	31 March 2013	31 December 2012
Provision for lawsuits	30.854	28.712
Other	2.372	1.458
	33.226	30.170

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NOTE 16 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (continued)

(a) Law Cases:

The amount of litigations against Group are TL 62.492 as of 31 March 2013 (31 December 2012: TL 62.574).

	31 March 2013	31 December 2012
Legal cases	62.116	62.574
Commercial cases	14.841	14.754
Business cases	6.099	6.309
Other	1.445	1.445
Total	84.501	85.082

A provision for lawsuits filed against the Group whose details are given above amounting to TL 30.854 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 2012: TL 28.712). Legal cases mainly consist of pecuniary and non-pecuniary damages and lawsuits filed against Doğan Yayın Holding and its subsidiaries and lawsuits initiated by the Radio and Television Supreme Council.

(b) Tax penalty and law suits:

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

The Group management plans to make use of the requirements set out in relation to "Undue and on Trial Tax Liabilities" and "Tax Base Increase" in Law No: 6111 "Restructuring of some receivables and Social Security and General Health Insurance Law and Other Law Amending Certain Laws and Decrees" ("Law No: 6111"), which has become effective upon the issuance in the Official Gazette No: 27857 (I.Bis) on 25 February 2011. After the amount calculated on the basis of Law No: 6111 is paid in advance, the remaining portion which will be paid in 18 equal installments in 36 months, including the 9th installment is paid as of 28 September 2012. In this regard, the Group has no outstanding liability under the requirements of Law No: 6111. The amount of payment and expenses of the Group within the scope of Law No: 6111 are summarized below:

Undue and on trial tax liabilities in dispute

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

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NOTE 16 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (continued)

(b) Tax penalty and law suits (continued)

Tax base increase

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

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

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 (TL 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.

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 January 2015 in consideration of EUR 50.000. As of 31 January 2013, Doğan Holding acquired 33.843.238 shares (which equals 2,48844% of first tier paid in capital in consideration of EUR 50.000 as stated above) with TL 1 of nominal value in consideration of EUR 61.572 in total.

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NOTE 16 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (continued)

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

The Purchase Commitment of the Doğan Holding, IAS 32 Financial Instruments: “Public Disclosure & Presentation”

Under the Standard, the Group is required to present the related liability amount at discounted value as a financial liability at the balance sheet rather than representing in cash, irrespective of the Group’s acquisition ability via its own shares. Accordingly, liabilities under “DTV Put Option 1” carried at the discounted amount in the accompanying consolidated balance sheet amounts to TL 285.881 as of 31 March 2013 (31 December 2012: TL 433.806). The related amount includes TL 143.009 of other short term financial liabilities (31 December 2012: TL 144.642) and TL 142.872 of other long term financial liabilities (31 December 2012: TL 289.164) (Note 8).

- According to the agreement dated 19 November 2009, Axel Springer Group has option to sell some or all of “Axel shares” with the higher of EUR 4,1275 (exact) per share or a fair value to be determined by specific valuation techniques to Doğan Holding and Doğan Holding has a commitment to purchase these shares (“DTV Put Option II”). Payables will include interests’ payments of annual combined 12 months Euro Libor plus 100 base points as of 2 January 2007. In order to exercise this option, the following conditions must be met.

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

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

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

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

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NOTE 16 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (continued)

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

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NOTE 16 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (continued)

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

In accordance with the agreement signed on 19 November 2009, Doğan Yayın Holding shall make a TL 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. As a result of the cash capital increase in August 2011, share of Doğan Yayın Holding in Doğan TV Holding has become 79,96%.

For the above matter, Doğan Yayın Holding has determined the fair value of Doğan TV Holding as of 31 December 2012 in order to identify whether it will assume any future financial liability. In accordance with the fair value calculation, there are not any financial liabilities arising from the share acquisition, which represents 19,9% of Doğan TV Holding's capital, by the Axel Springer Group.

(d) Put Options:

Impress Media Option

In January 2007, OOO Pronto Moscow, a subsidiary of Hürriyet, a subsidiary of the Group, acquired the majority shares of Impress Media Marketing LLC ("Impress Media"). Accordingly, the Group has the right to purchase 13% of non-controlling shares from non-controlling shareholders without a time constraint, provided that certain conditions are met. The Group has purchased shares as of 25 May, 2012 regarding non-controlling share of 10% by making a payment of TL 970 (USD 528) and the related liability is settled accordingly (31 December 2012: TL 970). Group still has the option to purchase the remaining 3% share in the capital of Impress Media. The fair value of the option is determined based on calculation over Impress Media EBITDA and as of 31 March 2013, the short-term portion of the fair value of the put option is TL 157 and is recognized under short-term financial liabilities account (31 December 2012: TL 155) (Note 8).

Oglasnik d.o.o. Option

Hürriyet, a subsidiary of the Group, has granted a put option, on the 30% shares outstanding during the acquisition of 70% interest of the shares in its subsidiary Oglasnik d.o.o in Croatia. Discussions concerning the use of this option as of the reporting date of these financial statements are still ongoing. As of 31 March 2013, the fair value of the option is calculated as TL 14.470 (USD 8.000) based on various valuation techniques and assumptions and classified in "Other short-term financial liabilities" (31 December 2012: TL 14.261 (USD 8.000)). (Note 9) 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 against the Group amounting to EUR 3.645 by the non-controlling interest shareholders regarding the fact that they couldn't exercise put option. Subpoena related to the lawsuit has been submitted to the Group on March 5, 2012 and the first trial of the lawsuit was held on 12 July 2012.

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NOTE 16 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (continued)

(d) Put Options(continued)

Moje Delo d.o.o Option

Hürriyet, a subsidiary of the Group, has acquired a 55% share in Moje Delo d.o.o. (“Moje Delo”) in Slovenia, in 2007. The Group has granted a put option to the selling shareholders on the shares exercisable from April 2013 to October 2013 (6 months). The result of total consideration to be calculated cannot be less than EUR 1.000. If the outcome of the calculation were to be less than the specified amount, the Group would make a payment of EUR 1.000. Group has also call option right for the non-controlling shares on hand from the non-controlling shareholders which is effective from October 2013. Exercise price shall be calculated based on EBITDA and the net financial debt of Moje Delo. As of 31 March 2013, the fair value of the put option is TL 2.650 and is classified in liabilities related to asset held for sale in the consolidated financial statements (Note 26). (31 December 2012: fair value of related put option is TL 3.792 and is classified in other short-term financial liabilities).

TME Option

The Company has no liabilities in relation to the disputed put option of USD 25.000, which was disclosed in the 31 December 2011 financial statements of Hürriyet, a subsidiary of the Group, and subject to appeal of arbitration before the Zurich Chamber of Commerce because the Company has been notified that the other party has sold the disputed GDR’s to another entity as at 21 March 2012 and the other party has also withdrawn its appeal of arbitration (31 December 2012: TL 47.223)Effect of the related amount is recognized under equity in the financial statements.

TME purchase of additional shares

The Group has acquired 6,98% shares corresponding to 3.490.691 (exact) Global Depository Certificates of Trader Media East Limited in consideration of USD 26.250 in accordance with the valuation report issued by an independent valuation company as of 7 March 2012

Amount regarding the removal of the put option liability mentioned above and additional share purchase transactions is recognized under equity in the financial statements as transactions of shareholders are considered as shareholder transactions in accordance with Paragraph 109 of IAS 1 “Presentation of Financial Statements”.

(e) Improvements at the Competition Authority:

Upon the Competitive Board’s notification issued on 17 September 2009, Doğan Yayın Holding, Hürriyet, Doğan Gazetecilik, Bağımsız Gazetecilik and Doğan Daily News were informed that they are subject to an investigation in order to determine whether these companies have violated any provisions of Law 4054 in relation to “Advertisement area sales” in the print media. The Group has made an objection to the initial response session of the ongoing investigation claiming that Doğan Yayın Holding’s operations are not in the form of “Advertisement area sales” in the printed media and Doğan Daily News is not an operating company.

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NOTE 16 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (continued)

(e) Put Options (continued):

Based on the investigation undertaken by the Competition Authority as of 5 April 2011, Hürriyet, Doğan Gazetecilik and Bağımsız Gazetecilik are charged with an administrative penalty fee of TL 3.805, TL 2.316 and TL 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 TL 4.923 of provision in relation to the charges in the accompanying financial statements. The total amount consists of TL 2.853 of provision for Hürriyet and TL 2.070 of provision for Doğan Gazetecilik and Bağımsız Gazetecilik. For the annulment of this decision, a lawsuit has been filed before the council of state.

(f) Other

Milpa:

The Land of Ömerli

Under the revenue sharing and/or costruction for flat for land basis agreement signed with the landowners in relation to the Milpa's , one of the subsidiaries of the Group, 2.093.941 m2 of land which is classified as investment property in the consolidated financial statements, with the parcel no:1154 in Kurtdoğan village, in Pendik in İstanbul, there is an annotation about the construction agreement. The related land is situated at the Habitat Park Area and Recreation Area in the İstanbul Environmental Plan which was approved on 15 June 2009 with a scale of 1/100.000. The remaining parcel no: 1155, which is 144.266 m2, is situated at the Forest Land. In addition, the related parcels are situated at the soil classification section of Kurtdoğan, Emirli, Kurnaköy, Ballica and Göçbeyli villages organized in İstanbul Metropolitan Area East Side pendik, İstanbul in accordance with the Soil Conservation and Land Use Law No: 5403. Parcel no: 1154 in full and small part of parcel no: 1155 are situated at the Marginal Agricultural Area eligible for non-agricultural use and significant part of parcel no:115 is situated at the Military Area.

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 19 September 2013 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.

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

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NOTE 17 - COMMITMENTS

Collaterals, pledges and mortgages (CPM) given by the Group at 31 March 2013 and 31 December 2012 is as follows:

	31 March 2013					31 December 2012				
	TL Equivalent	TL	USD	EUR	Other	TL Equivalent	TL	USD	EUR	Other
A. CPM's given in the name of its own legal personality										
Guarantees ⁽¹⁾	347.849	74.337	20.171	101.855	2.709	467.783	68.656	20.741	153.638	2.709
Pledge	-	-	-	-	-	226.354	226.354	-	-	-
Mortgage ⁽²⁾	15.073	-	-	6.500	-	15.286	-	-	6.500	-
B. CPM's given on behalf of the fully consolidated companies										
Guarantees ^{(1) (3)}	3.529.508	162.927	1.461.615	305.712	7.387	3.409.623	174.453	1.425.381	288.031	8.710-
Pledge	-	-	-	-	-	-	-	-	-	-
Mortgage	-	-	-	-	-	-	-	-	-	-
C. CPM's given on behalf of third parties for ordinary course of business										
Guarantees	-	-	-	-	-	-	-	-	-	-
Pledge	-	-	-	-	-	-	-	-	-	-
Mortgage	-	-	-	-	-	-	-	-	-	-
D. Total amount of other CPM's given	-	-	-	-	-	-	-	-	-	-
i) Total amount of CPM's given on behalf of the majority shareholder	-	-	-	-	-	-	-	-	-	-
ii) Total amount of CPM's given on behalf of third parties which are not in scope of B and C	-	-	-	-	-	-	-	-	-	-
iii) Total amount of CPM's given on behalf of third parties which are not in scope of C	-	-	-	-	-	-	-	-	-	-
Total	3.892.430					4.119.046				

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

(2) There is a mortgage amounting to TL 15.073 over the tangible fixed assets of Group's subsidiary Hürriyet as of 31 March 2013 (31 December 2012: TL 15.286).

(3) 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 2013, Boyabat Elektrik used USD 750.000 amounting loan portion provided (31 December 2012:USD 750.000). Doğan Holding has bail amounting to USD 45.309 given to credit institutions within the scope of Aslancık Elektrik's hydroelectric power plant construction that is planned to be completed in 2013 (31 December 2012: USD 45.309).

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NOTE 17 - COMMITMENTS (Continued)

a) Letters of guarantees and guarantee notes given (continued):

Other CPM given by the Group to equity ratio is 0% as of 31 March 2013 (31 December 2012: 0%). The details of letter of guarantees and guarantee notes given by the Group are as follows:

	31 March 2013		31 December 2012	
	Original Currency	TL equivalent	Original currency	TL equivalent
Letters of guarantees - EUR	172.680	400.428	229.031	538.612
Letters of guarantees - TL	77.258	77.258	69.483	69.483
Letters of guarantees - USD	20.087	36.332	20.255	36.107
Letters of guarantees - Other	2.709	835	2.709	843
Guarantee notes - TL	25.681	25.681	25.750	25.750
Guarantee notes - EUR	767	1.778	782	1.839
Guarantee notes - USD	134.960	244.103	134.960	240.580
Total		786.415		913.214

Doğan TV Holding, one of the subsidiaries of Doğan Yayın Holding, has given letters of guarantees amounting to EUR 66.000 to UEFA (Union Européenne de Football Association or Union of European Football Associations) in 2008 for broadcasting rights of UEFA Champions League, UEFA Super Cup and UEFA Cup games for the period 2012-2015.

Explained as in Note 18, as per the amendment signed on 31 October 2011, the Axel Springer Group has also requested two guarantee letters amounting to EUR 50.000 each in order to secure the liabilities of Doğan Holding under the "DTV Put Option I". Two guarantee letters amounting to EUR 50.000 each were given by Doğan Holding as at 10 February 2012. In addition, Doğan Holding has also given a third guarantee letter amounting to EUR 50.000 in consideration of 34.183.593 shares in the same period to be used as of January 2015. One of the bank guarantee letters which was given related with the put option amounting EUR 50.000 in January 2013 was released and accordingly, the number of guarantee letters given to the bank total to 2.

(b) Guarantees and mortgages given

The details of guarantees of Doğan Holding and its shareholders' given for the borrowings and trade payables of the Group companies and related parties as of 31 March 2013 and 31 December 2012 are as follows:

	31 March 2013		31 December 2012	
	Original Currency	TL equivalent	Original Currency	TL equivalent
Bails - EUR	234.119	542.899	211.856	498.223
Bails - USD	1.326.739	2.399.672	1.290.906	2.301.169
Bails - TL	134.262	134.262	147.875	147.875
Bails - CHF	-	-	8.634	16.925
Bails - Other	7.387	14.109	-	-
Mortgages - EUR	6.500	15.073	6.500	15.286
Mortgages - USD	-	-	-	-
Total		3.106.015		2.979.478

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NOT 17 - COMMITMENTS (Continued)

(c) Barter agreements

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

As of 31 March 2013, the Group has a commitment for the publication of advertisements amounting to TL 25.922 (31 December 2012: TL 34.259) in exchange for purchasing goods and services and has an option to purchase goods and services amounting to TL 14.184 (31 December 2012: TL 11.710) in exchange of the goods or services sold.

NOTE 18 - OTHER ASSETS AND LIABILITIES

	31 March 2013	31 December 2012
Other Current Assets		
Blocked deposits ⁽¹⁾	124.989	214.809
Value Added Tax ("VAT") receivable	23.113	23.334
Prepaid expenses ⁽⁵⁾	33.784	23.840
Advances given	22.385	20.606
Prepaid taxes	21.046	18.858
Work advances	17.492	12.121
Personnel advances	8.891	9.655
Income accruals	8.665	6.681
Programme stocks	19.551	9.120
Other	6.943	6.087
	286.859	345.111
Provision for impairment for programme stocks	(1.081)	(1.081)
Other provision for doubtful receivables	(772)	(747)
	285.006	343.283
	31 March 2013	31 December 2012
Other non-current assets		
Long term restricted deposits ⁽²⁾	17	17
Blocked deposits ^{(1) (2)}	143.382	235.458
Value Added Tax ("VAT") receivables	131.314	132.017
Advances given and prepayments ^{(3) (4)}	23.088	23.831
Prepaid expenses	6.955	6.538
Deposits and guarantees given	117	133
Other	177	226
	305.050	398.220

⁽¹⁾ As of 31 March 2013, Doğan Holding's time deposit amounting to USD 5.000 (TL: 9.044) has been blocked to be guarantee for the loans used by Mozaik and accounted under other current assets. (As of 31 December 2012, Doğan Holding's time deposit amounting to USD 25.500 (TL: 45.456) and USD 25.000 (TL: 44.565) has been blocked to be guarantee for the loans used by Mozaik and Hürriyet. As of 31 December 2012 Doğan Holding's time deposit amounting 70.000 USD (TL 124.782) has been blocked to be guarantee for the loans used by TME and Mozaik and accounted under other current assets. Short term time deposits of Akdeniz and Galata amounting TL 5 and TL 122 accounted under other current assets.) 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 50.000 EUR (TL 115.945) has been blocked to be guarantee regarding Doğan TV Holding shares' purchase option and accounted under current assets.(As of 31 December 2012, Doğan Holding's time deposit amounting to USD 70.000 (TL 124.782) has been blocked to be guarantee for the loans used by TME and accounted under other current assets.)

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NOTE 18 - OTHER ASSETS AND LIABILITIES (Continued)

- (2) Within the scope of 28 February 2012 dated modification agreement signed between the Company and Commerz-Film GmbH and Hauptstadtsee 809. V V GmbH, time deposit amounting to EUR 50.000 (TL 115.945) has been blocked to be guarantee regarding Doğan TV Holding shares’ purchase option. (As of 31 December 2012, Dogan Holding’s time deposit amounting to USD 100.000 (TL 235.170) has been blocked to be guarantee for the loans used by TME.) Also, Doğan Holding has given guarantee amonut of USD 15.000 (TL 27.131) regarding to the loans used by Mozaik and the guarantee amount has been accounted under noncurrent assets. .Additionally, long term blocked deposits of Çelik Halat amount of TL 306 and Hurriyet amounting TL 17 accounted under other non current assets.(31 December 2012: Çelik Halat: TL 288, Hurriyet: TL 17 (As of 31 December 2012, Short term time deposits of Akdeniz and Galata amounting TL 5 and TL 122 accounted under other current assets.)
- (3) Advances given and prepayments amounting to TL 19.544 (31 December 2012: TL 20.439) 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) TL 3.180 (31 December 2012: TL 3.180) of the advances given and prepayments includes the expenses caused by the landowners and advances given to the landowners who passed their shares of the real estate Project in the land of Ömerli by Milpa which is a subsidiary of the Group for the part of the proceeds. %25 of the revenues of the project which Milpa is planning to develop, about the houses and offices will be committed and set-off to the landowners revenue-sharing or flat received from contractor for landownership by the proportion of their shares.
- (5) Material part of prepaid expenses consist of prepaid rent and insurance expenses.

Other Current Liabilities

	31 March 2013	31 December 2012
Provision for unused vacation liability	42.302	36.624
Expense accruals	39.348	16.234
Deferred revenue	31.704	28.362
Provision for broadcasted programmes	2.517	1.076
Other	2.316	7
	118.187	82.303

Other Non-current Liabilities

	31 March 2013	31 December 2012
Deferred revenue	3.999	12.364
Other	209	138
	4.208	12.502

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NOTE 19 - 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 TL 1 Doğan Holding’s authorized, historical and paid-in share capitals at 31 December 2013 and 31 December 2012 are as follows:

	31 March 2013	31 December 2012
Limit on registered capital	4.000.000	4.000.000
Issued capital	2.450.000	2.450.000

There are no privileged shares of Doğan Holding.

The ultimate shareholder of Doğan Holding are Aydın Doğan and Doğan Family (Işıl Doğan, Arzuhan Yalçındağ, Vuslat Sabancı, Hanzade V. Doğan Boyner ve Y.Begümhan Doğan Faralyalı) and the shareholders of Holding and the historical values of shares in equity at 31 March 2013 and 31 December 2012 are as follows:

Shareholder	Share %	31 March 2013	Share %	31 December 2012
Adilbey Holding A.Ş.	52,68	1.290.679	52,68	1.290.679
Doğan Family	14,48	354.664	14,48	354.664
Publicly traded on Borsa İstanbul ⁽¹⁾	32,84	804.657	32,84	804.657
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) In accordance with the Capital Markets Board’s (the “CMB”) Resolution No: 21/655 issued on 23 July 2010, it is regarded that 31,43 % of the shares (31 December 2012: 31,97 %) are outstanding as of 31 March 2013 based on the Central Registry Agency’s (“CRA”) records. 34,29% of Doğan Holding’s shares are publicly available.

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

Restricted Reserves Assorted From Profit

Restricted Reserves Assorted From Profit 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).

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NOTE 19 – EQUITY (Continued)

Restricted Reserves Assorted From Profit (*continued*)

The legal reserves consist of first and second reserves, appropriated in accordance with the Turkish Commercial Code (TCC). 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 issued capital. The second legal reserve is appropriated at the rate of 10% per annum of all cash distributions in excess of 5% of the issued capital. Under the TCC, the legal reserves can only be used to offset losses and are not available for any other usage unless they exceed 50% of issued capital. The afore-mentioned amounts shall be classified in “Restricted Reserves” in accordance with the CMB’s Financial Reporting Standards

Investment Property Revaluation Reserves:

Real estates recognized as property, plant and equipment in prior periods, due to changes in usage patterns can be transferred to investment property. The Group has reclassified some of its investment properties in the year 2012 as investment property in this regard and presented them from fair value method. Accordingly, fair value at the first transfer amounting to TL 1.002 is recognized under revaluation reserve fund in the shareholders equity.

Capital Reserves and Retained Earnings

Subsequent to the first inflation adjusted financial statements, equity items such as; “Capital, Emission Premiums, Legal Reserves, Statutory Reserves, Special Reserves and Extraordinary Reserves” are carried at carrying value in the balance sheet and their adjusted values are collectively presented in equity. All equity inflation adjustments are only available for bonus shares or loss deduction; and carrying value of extraordinary reserves are only available for cash profit distribution or loss deduction.

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

- If the difference is due to the inflation adjustment of “Paid-in Capital” and not yet been transferred to capital, it should be classified under “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 utilized in dividend distribution or capital increase yet, it shall be classified under “Retained Earnings”,

Other equity items are carried at the amounts valued in accordance with CMB’s Financial Reporting Standards. Capital adjustment differences can only be included to capital

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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NOTE 19 - 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. 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 Turkish Commercial Code (TCC)/Tax Procedures Law (TPL) records, the related amount will be fully distributed, or otherwise all the net distributable profit in the Turkish Commercial Code (TCC)/Tax Procedures Law (TPL) 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.

At the meeting of Doğan Holding held on 10/04/2013, by taking into account Turkish Commercial Code (TCC), Capital Markets Law (CMB) and Capital Market Regulations, Corporate Tax, Income Tax, other relevant legislations and relevant legislations of the Articles of Association of the Company and "dividend distribution policy" disclosed to the public;

- Within the scope of the requirements of the CMB’s Communiqué Serial:XI, No.29, based on the audited consolidated financial statements prepared for the period 01.01.2012-31.12.2012 in accordance with International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) , the Group’s “Consolidated Net Gain for the Period” is calculated as TL 155.671, considering its “current period tax expense”, “deferred tax expense”, “non-controlling interests”., After the deduction of “accumulated loss” amounting to TL 831.377 and addition of donations amounting to TL 4.072, “Net Loss for Period” is calculated as TL 671.634. Therefore, the Group has decided not to distribute any profits for the year 2012 based on the CMB’s profit distribution requirements and the matter to be submitted to the General Assembly,
- Based on the financial records prepared for the period 01.01.2012-31.12.2012 in accordance with Turkish Commercial Code (TCC) and Tax Procedures Law (TPL), for the year 2012 “Net Loss for Period” is calculated amount of TL 66.387. In order to take advantage of tax exemption 61.380 of income that is exempt from tax which was recognized in “special fund account” in liabilities for a period of five years in accordance with the Corporate Tax Law has been decided to be offset” with “Extraordinary Shares” of the total amount.

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NOTE 19 - EQUITY (Continued)

Dividend Distribution(Continued)

The CMB’s requires the disclosure of total amount of net profit in the statutory records and other resources which may be subject to distribution in the financial statements prepared in accordance with Communiqué Serial XI, No: 29. As of the balance sheet date, the Company’s gross amount of resources that may be subject to the profit distribution based on the statutory records amounts to TL 1.573.694.

The shareholders equity of Doğan Holding is as below:

	31 March 2013	31 December 2012
Share capital	2.450.000	2.450.000
Adjustment to share capital	143.526	143.526
Share premium	2.362	2.362
Increase in fair value of available for sale financial assets, net	(1.942)	2.092
Translation reserve	49.689	53.688
Restricted reserves assorted from profit	1.142.663	1.204.043
- <i>Legal reserves</i>	124.163	124.163
- <i>Gain on sale of equity participations</i>	1.018.500	1.079.880
Gains on revaluation of investment property	1.002	1.002
Retained earnings/loss	(614.327)	(831.377)
Net income/(loss) for the period	(15.367)	155.670
Total shareholders’ equity	3.157.606	3.181.006

NOTE 20- SALES AND COST OF SALES

	1 January- 31 March 2013	1 January- 31 March 2012
Domestic Sales	769.459	687.371
Foreign Sales	104.847	151.462
Sales returns	(88.298)	(112.924)
Sales discount	(6.014)	(2.526)
Net sales	779.994	723.383
Cost of sales (-)	(582.485)	(546.536)
Gross Profit	197.509	176.847

Sales income and cost of sales

The details of operating revenue for the years ended 31 March 2013 and 2012 are disclosed in Note 5 – “Segment Reporting”.

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**NOTE 21 - RESEARCH AND DEVELOPMENT EXPENSES, MARKETING, SALES AND
DISTRIBUTION EXPENSES, GENERAL ADMINISTRATIVE EXPENSES**

	1 January- 31 March 2013	1 January- 31 March 2012
Selling, marketing and distribution expenses	103.446	82.293
General administrative expenses	89.419	89.822
Operating expenses	192.865	172.115

NOTE 22 - EXPENSES BY NATURE

The details of cost of sales, marketing, selling and distribution expenses and general administrative expenses for the year ended as at 31 March 2013 and 2012 are as follows:

	1 January- 31 March 2013	1 January- 31 March 2012
Personnel expenses	159.376	142.465
Cost of trade goods sold	187.828	191.906
General production overhead	122.855	78.381
Raw material and supplies	67.318	32.013
Depreciation expenses ⁽¹⁾ (Note 13)	58.779	50.780
Satellite usage fees	1.445	5.979
Agency commission expenses	19.927	13.433
Rent expenses	16.570	16.643
Transportation, storage and travel expenses	13.950	15.333
Expenses related to telecommunication services	9.106	9.975
Consulting expenses	9.003	10.427
Outsourced benefits	7.150	5.726
Advertisement expenses	5.266	13.289
Radio and television supreme council ⁽³⁾	4.549	4.133
Communication expenses	3.846	2.519
Promotion expenses	3.411	5.384
Agency commission expenses	3.136	3.649
Miscellaneous tax expenses	3.043	2.247
Maintenance expenses	804	-
Non-deductible expenses	36	2.740
Other	77.952	111.629
	775.350	718.651

(1) As of 31 March 2013, TL 119 (31 March 2012: TL 119) of depreciation and amortization expenses and, redemption is reflected in stocks.

(2) 3% of monthly gross commercial communication income, excluding programme support income, of media service providers are classified as Supreme Council income in accordance with Article 41 (ç) of the "Establishment and Broadcasting of Radio and Television Companies" Law, which was published in the Official Gazette No: 27863 on 3 March 2011. Accordingly, 5% of commercial income that was previously retained as per the revoked Law No: 3984, has been decreased to 3% with the effect of the new requirement.

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NOTE 23 - OTHER OPERATING INCOME/EXPENSES

	31 March 2013	31 March 2012
Other operating income		
Terminated provisions	4.484	4.543
Usage of vat discount	2.474	-
Rent income	1.884	1.386
Gain on sales of property, plant and equipment and intangible assets ⁽¹⁾	1.161	144.020
Reversal of provision for impairment on investment property	580	1.389
Gain on sale of subsidiary shares	-	2.332
Other	2.529	2.078
	13.112	155.748

(1) As of 31 March 2012, TL 142.905 of the amount consists of the gain on sales of property, plant and equipment due to the sale of Hürriyet building to Nurol Gayrimenkul Yatırım Ortaklığı as of 1 February 2012.

	31 March 2013	31 March 2012
Other operating expense:		
Loss on sale of property, plant and equipment	7.923	1.961
Provision for doubtful receivables (Note 9)	8.047	3.006
Provision for legal cases	4.331	1.923
Provision for impairment of goodwill regarding non-current assets held for sale (Note 26)	3.537	-
Tax and fund expenses	2.626	-
Donations	1.652	710
Other penalties and compensations paid	871	1.384
Provision for impairment on inventory	336	275
Other	1.933	5.481
	31.256	14.740

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NOTE 24 - FINANCIAL INCOME

Financial income for the periods ended as at 31 March 2013 and 2012 are as follows:

	31 March 2013	31 March 2012
Foreign exchange gain	32.770	557.389
Interest income on bank deposits	27.558	54.481
Deferred finance expense and credit finance income due to purchase with maturity	18.063	24.760
Other interest and commissions	9.046	5.956
	87.437	642.586

NOTE 25 - FINANCIAL EXPENSE

Financial expense for the periods ended as at 31 March 2013 and 2012 is as follows:

	31 March 2013	31 March 2012
Foreign exchange loss	30.085	629.427
Interest expenses		
- Interest expense on bank borrowings	32.162	23.743
- Tax liability in dispute finance expense regarding 6111 law (Note 16) ⁽¹⁾	-	16.890
- Tax base increase finance expense regarding 6111 law (Note 16)	-	601
Deferred finance income and credit finance expense due to sales with maturity	7.188	13.683
Bank commission expenses	2.895	3.882
Other	4.582	799
	76.912	689.025

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

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NOTE 26- NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

The details of the disposal of subsidiaries and assets and disposal plans on the property, plant and equipment of the Group as of 31 March 2013 and 31 December 2012 are as follows:

Assets held for sale::

Moje Delo spletni marketing, d.o.o, one of the subsidiaries of the Group, has been sold on 10 April 2013. As a result of this, assets and liabilities of the company have been classified as assets held for sale and presented separately in consolidated balance sheet.

The details of assets and liabilities held for sale are as below:

Assets	Net book value before reclassification	Provision for impairment ⁽¹⁾	Net book value after provision for impairment
Cash and cash equivalents	268	-	268
Trade receivables			
-Due from related parties	1.181	-	1.181
-Other trade receivables	168	-	168
Other receivables	118	-	118
Other current assets	26	-	26
Property, plant and equipment	472	-	472
Goodwill	8.991	(3.537)	5.454
Deferred tax asset	4	-	4
Receivables eliminated in the scope of consolidation	(1.181)	-	(1.181)
Liabilities			
Trade payables			
-Due to related parties	232	-	232
-Other trade payables	170	-	170
Other financial liabilities	2.650	-	2.650
Other payables	70	-	70
Other short-term liabilities	425	-	425
Payables eliminated in the scope of consolidation	(232)	-	(232)

⁽¹⁾ Group has sold its own shares (55%) and minorities (45%) in Moje Delo spletni marketing, d.o.o, in consideration of EUR 2.500 (TL 5.797). As a result of the fair value arising from the sale, impairment on goodwill has been booked.

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NOTE 27- 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.

Corporate tax

Corporate tax liabilities for the periods ended 31 March 2013 and 31 December 2012 are as follows:

	31 March 2013	31 December 2012
Provision for period income tax	24.558	84.179
Prepaid taxes	(3.862)	(74.350)
Taxes Payable	20.696	9.829

	31 March 2013	31 December 2012
Corporate and income taxes payable	20.696	9.829
Deferred tax liabilities, net	76.369	87.226
Total	97.065	97.055

Turkey

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

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

Companies calculate corporate tax quarterly at the rate of 20% over their corporate income and these amounts are disclosed by the end of 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 2004.

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NOTE 27- TAX ASSETS AND LIABILITIES (Continued)

Turkey (Continued)

In accordance with the provisions of the afore-mentioned Law provisions, in order to apply inflation adjustment, the cumulative inflation rate (TURKSTAT WPI) over the last 36 months and 12 months must exceed 100% and 10%, respectively. Inflation adjustment has not been applied as the related threshold has not been met as of 2004.

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

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

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

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

As of 31 March 2013, 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 27 - TAX ASSETS AND LIABILITIES (Continued)

Turkey (Continued)

Exemption for sale of participation shares and property

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

Russian Federation

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

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

According to the Russian Federation's tax legislation, financial losses can be carried forward for 10 years to be deducted from future taxable income. Restriction on the deductible financial losses has been revoked as of 2007. Maximum amount that can be deducted in any year is limited to 30% of the taxable income (2012:30%). 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 December 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	Slovenia	20,0
Croatia	20,0	Belarus ⁽⁴⁾	18,0
Kazakhstan	20,0	Netherland ⁽⁵⁾	25,0

- (1) Corporate tax rate is applied as 15% for Germany. An additional solidarity tax of 5,5% and municipal commerce tax varying in between 14% and 17% is also applied over the corporate tax.
- (2) Tax rate has decreased from 23% to 21% as of 1 January 2012. As of 2013 tax rate has decreased to 19% and as of 1 January 2014 it will decrease to 16%.
- (3) Tax rate is 10% for the tax base up to initial 500 million Hungarian Forint, 19% for over 500 million Hungarian Forint..
- (4) Tax rate decreased from 24% to 18% as of 1 January 2012.
- (5) Tax rate is 20% for the tax base up to initial 200.000 EUR, 25% for over 200.000 EUR.

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NOTE 27- 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 2013 and 31 December 2012 using the enacted tax rates is as follows:

	Cumulative temporary differences		Deferred tax assets/ (liabilities)	
	31 March 2013	31 December 2012	31 March 2013	31 December 2012
Differences between the tax base and carrying value of property, plant and equipment and intangible assets	48.141	101.490	9.628	20.298
Carry forward tax losses	188.723	198.835	37.745	39.767
Provision for doubtful receivables	52.698	57.115	10.540	11.423
Provision for employment termination benefits	140.099	130.999	28.020	26.200
Derivative financial liabilities	1.711	1.683	342	337
Deferred financial income of trade receivables	299	518	60	104
Other	113.579	76.017	22.716	15.203
Deferred tax assets			109.051	113.332
Differences between the tax base and carrying value of property, plant and equipment and intangible assets	(565.947)	(979.378)	(181.073)	(196.524)
Fair value of Investment Property	(21.963)	(366.651)	(1.098)	(1.889)
Derivative financial assets	(2.657)	(882)	(531)	(176)
Other	(13.591)	(10.289)	(2.718)	(1.969)
Deferred tax liabilities			(185.420)	(200.558)
Deferred tax liabilities, net			(76.369)	(87.226)

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 27- TAX ASSETS AND LIABILITIES (Continued)

The Group recognised deferred tax assets over TL 188.723 of carry forward tax losses in the consolidated financial statements prepared in accordance with the CMB's Financial Reporting Standards as at 31 March 2013 (31 December 2012: TL 198.835). As of 31 March 2013 and 31 December 2012, the maturity analysis of carry forward tax losses is as follows:

	31 March 2013⁽¹⁾	31 December 2012
2013	(4.297)	(4.260)
2014	(86.324)	(90.552)
2015	(26.696)	(22.171)
2016	(48.214)	(33.524)
2017 and after	(23.192)	(48.328)
	(188.723)	(198.835)

⁽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 2013, the Group does not recognise deferred tax from carry forward tax losses amounted to TL 1.149.239 (31 December 2012: TL 1.064.293).

Movements for net deferred taxes for the periods ended at 31 March 2013 and 2012 are as follows:

	2013	2012
1 January	(87.226)	(61.858)
Deferred tax effect of financial assets fair value increase	807	263
Current year (expense)/income	6.114	(1.198)
Currency translation differences	3.210	(1.928)
Other	726	(2)
31 March	(76.369)	(64.723)

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NOTE 27 - TAX ASSETS AND LIABILITIES (Continued)

The taxes on income reflected to the consolidated income statement for the periods ended at 31 March 2013 and 2012 are summarized below:

	2013	2012
Current	(21.713)	(36.799)
Deferred	6.114	(1.198)
Total Tax	(15.599)	(37.997)

The reconciliation of the taxation on income in the consolidated income statement for years ended 31 March 2013 and 2012 and the tax calculated at the corporate tax rate based on the income before minority interests and taxation on income are as follows::

	2013	2012
Profit before taxation from continued operations	(10.945)	117.587
Tax calculated at 20% tax rate	2.189	(23.517)
Tax liability in dispute and tax base increase liability regarding 6111	-	(3.498)
Effect of financial losses which subject to deduction in current period	(260)	-
Expense not subject to tax	(6.305)	(13.951)
Income not subject to tax	377	24.103
Carry forward losses for which no deferred tax asset was recognized	(11.029)	(15.546)
Reversal of previous year losses from which deferred tax was calculated previously	(3.730)	-
Deferred tax effect of previously unrecognized carry forward tax losses	1.610	-
Sale of subsidiary		
Difference due to the different tax rates applicable in different countries	-	(5.870)
Impairment of goodwill	(707)	-
Adjustment effects	473	(492)
Withholding tax related to the dividend payment in Russia		(5.440)
Other	1.783	6.214
Tax expense	(15.599)	(37.997)

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NOTE 28 - RELATED PARTY DISCLOSURES

For the purpose of these consolidated financial statements, related parties are referred to as legal entities in which Doğan Holding directly or indirectly has participation, including any entities under common control; real persons and/or legal entities that have direct or indirect individual or joint control over the company and their close family members (relatives up to second-degree) and legal entities having direct or indirect individual or joint control by them and legal entities having significant effect over the Company or their key management personnel; Company’s affiliates, subsidiaries and members of the Board of Directors, key management personnel and their close family members (relatives up to second-degree) and real persons and/or legal entities that are directly or indirectly controlled individually or jointly. As of the balance sheet date, the details of due to/from related parties and related party transactions for the periods ended as of 31 March 2013 and 31 December 2012 are summarized as below:

i) Amounts due from and due to related parties:

Current trade receivables due from related parties:

	31 March 2013	31 December 2012
Doğan İnternet Yayıncılığı ve Yatırım A.Ş. ⁽¹⁾	11.304	9.404
Delüks Elektronik Hizmetler ve Tic A.Ş. ⁽²⁾	2.024	270
Tipeez İnternet Hizmetleri A.Ş. (“Tipeez”) ⁽³⁾	1.495	1.710
Doğan Portal ve Elektronik Ticaret A.Ş. (“Doğan Portal”)	975	985
D Market Elektronik Hizmetler ve Ticaret A.Ş. (“D Market”)	791	1.145
Ortadoğu Otomotiv Ticaret A.Ş. (“Ortadoğu Otomotiv”)	775	729
Doğan Egmont	356	-
Gas Plus Erbil	175	-
Doğan Elektronik Turizm Satış Pazarlama Hiz.ve Yay. A.Ş.	72	620
Nakkaştepe Gayrimenkul	-	2.125
Other	2.393	1.972
	20.386	18.960

(1) Medyanet and Doğan İnternet Yayıncılığı ve Yatırım A.Ş. has been merged as of 8 February 2013. Transactions regarding these two entities are added together for all periods. The receivables of the Group from Doğan İnternet Yayıncılığı ve Yatırım A.Ş. consist of the internet advertising sales made from the websites.

(2) Receivables of the Group from Delüks Elektronik Hizmetler ve Ticaret A.Ş. consist of the supply of goods.

(3) Receivables of the Group from Tipeez İnternet Hizmetleri A.Ş. consist of the maturity date difference invoices.

Current non-trade receivables due from related parties:

	31 March 2013	31 December 2012
Boyabat Elektrik ⁽¹⁾	73.300	67.767
Gümüştaş Madencilik ve Ticaret A.Ş.	3.580	3.482
	76.880	71.249

(1) Debt is given for project finance.

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NOTE 28 - RELATED PARTY DISCLOSURES(Continued)

i) Amounts due from and due to related parties (Continued)

<u>Current trade payables - due to related parties</u>	31 March 2013	31 December 2012
Doğan Burda Dergi Yayıncılık ve Pazarlama A.Ş. (“Doğan Burda”) ⁽¹⁾	10.944	10.391
Boyabat Elektrik Üretim ve Ticaret A.Ş.	5.331	-
Doğan ve Egmont Yayıncılık ve Yapımcılık (“Boyabat”) ⁽²⁾ Ticaret A.Ş. (“Doğan Egmont”) ⁽³⁾	4.114	4.482
Doğanlar Sigorta Aracılık Hizmetleri A.Ş.	319	96
Ortadoğu Otomotiv Ticaret A.Ş. (“Ortadoğu Otomotiv”)	12	-
Adilbey Holding A.Ş.	-	26
Other	2.450	2.854
	23.170	17.849

(1) Payables of the Group to Doğan Burda consist of the distribution services of the magazines.

(2) Payables of the Group to Boyabat consists of the purchase of electricity.

(3) Payables of the Group to Doğan Egmont consist of the distribution services of the magazines

ii) Transactions with related parties:

<u>Service/ product purchases:</u>	31 March 2013	31 March 2012
Doğan Burda Dergi Yayıncılık ve (“Doğan Burda”) ⁽¹⁾	8.762	8.385
Doğan ve Egmont Yayıncılık ve Yapımcılık Ticaret A.Ş. (“Doğan Egmont”) ⁽²⁾	4.111	3.257
Ortadoğu Otomotiv Ticaret A.Ş. (“Ortadoğu Otomotiv”) ⁽³⁾	3.268	1.327
Doğanlar Sigorta Aracılık Hizmetleri A.Ş.	1.558	-
Dergi Pazarlama Planlama ve Ticaret A.Ş.	1.395	1.377
Adilbey Holding A.Ş.	159	-
Aydın Rent A Car	1	2.281
Other	1.095	788
	21.159	17.415

(1) Payable of the Group is related with the distribution service of magazines.

(2) Payable of the Group is related with the distribution service of magazines.

(3) Consist of rent expenses of Trump Tower.

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NOTE 28 - RELATED PARTY DISCLOSURES(Continued)

ii) Transactions with related parties: (Continued)

Service and product sales:	31 March 2013	31 March 2012
Doğan İnternet Yayıncılığı ve Yatırım A.Ş. ⁽¹⁾	5.487	3.015
Doğan Burda Dergi Yayıncılık ve (“Doğan Burda”) ⁽²⁾	5.437	5.296
Doğan ve Egmont Yayıncılık ve Yapımcılık Ticaret A.Ş. (“Doğan Egmont”) ⁽³⁾	2.569	2.451
Delüks Elektronik Hizmetler ve Ticaret A.Ş. ⁽⁴⁾	1.701	29
Ortadoğu Gayrimenkul	1.697	2
D-Market Elektronik Hizmetler ve Ticaret A.Ş.	837	212
Dergi Pazarlama Planlama ve Ticaret A.Ş.	359	47
Other	1.917	165
	20.004	11.217

- (1) Medyanet and Doğan İnternet Yayıncılığı ve Yatırım A.Ş. has been merged as of 8 February 2013. Transactions regarding these two entities are added together for all periods. The receivables of the Group from Medyanet consist of the internet advertising sales made from the websites.
- (2) Product and service sales of the Group to Doğan Burda consist of the raw material and service sales
- (3) Product and service sales of the Group to Doğan Egmont consist of the raw material and service sales.
- (4) Product and service sale of the Group to Delüks Elektronik Hizmetler ve Ticaret A.Ş. consists of the product sales.

Financial income	2013	2012
Boyabat Elektrik Üretim ve Ticaret A.Ş.	2.387	-
Doğan İnternet Yayıncılığı ve Yatırım A.Ş.	208	-
Delüks Elektronik Hizmetler ve Ticaret A.Ş.	18	-
D Elektronik Şans Oyunları ve Yayıncılık A.Ş.	4	10
Doğan Elektronik Turizm Satış Pazarlama Hizmetleri ve Yayıncılık A.Ş.	-	43
Other	14	3
	2.631	56

Financial expenses	2013	2012
Other	8	-
	8	-

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NOTE 28 - RELATED PARTY DISCLOSURES(Continued)

ii) Transactions with related parties: (Continued)

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

	2013	2012
D Yapı İnşaat Sanayi ve Ticaret A.Ş.	-	490
D-Market Elektronik Hizmetler ve Ticaret A.Ş.	9	5
Other	4	7
	13	502

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

	2013	2012
Delüks Elektronik Hizmetler ve Ticaret A.Ş.	-	7
	-	7

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:

	2013	2012
Salaries and other short term benefits	2.995	2.682
Post-employment benefits	-	-
Other long term benefits	-	-
Termination benefits	-	-
Share based payments	-	-
Total	2.995	2.682

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NOTE 29 - FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial risk management

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

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

a) Market Risk

a. 1) Foreign currency risk

The Group is exposed to foreign exchange risk through the impact of rate changes on the translation of foreign currency liabilities to local currency. These risks are monitored and limited by analyzing foreign currency position. TL equivalents of foreign currency denominated monetary assets and liabilities at 31 March 2013 and 31 December 2012 before consolidation adjustments and reclassifications are as follows:

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

	31 March 2013	31 December 2012
Assets	2.613.120	2.936.296
Liabilities	(3.097.164)	(2.539.395)
Off-balance sheet net derivative liabilities	32.711	47.289
Net foreign currency position	(451.333)	444.190

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NOTE 29 - FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

a. 1) Foreign currency risk(Continued):

Sensitivity analysis for currency risk as of 31 March 2013 and 31 December 2012 and foreign currency denominated asset and liability balances are summarized below:

31 March 2013

	TL Equivalent	USD	EUR	Other
1. Trade receivables	199.297	77.348	100.582	21.367
2a.Monetary Financial Assets (Cash, Banks included)	1.984.734	1.428.255	499.125	57.354
2b.Non-Monetary Financial Assets	-	-	-	-
3. Other	134.356	9.455	116.196	8.705
4. Current Assets (1+2+3)	2.318.387	1.515.058	715.903	87.426
5. Trade receivables	76.653	75.324	1.329	-
6a.Monetary Financial Assets	74.991	74.784	37	170
6b.Non-Monetary Financial Assets	-	-	-	-
7. Other	143.089	27.131	115.958	-
8. Non-Current Assets (5+6+7)	294.733	177.239	117.324	170
9. Total Assets (4+8)	2.613.120	1.692.297	833.227	87.596
10.Trade Payables	556.942	124.574	58.714	373.654
11.Financial Liabilities	913.145	609.213	290.475	13.457
12a.Other Monetary Financial Liabilities	178.257	677	6.163	171.417
12b.Other Non-Monetary Financial Liabilities	-	-	-	-
13. Current Liabilities (10+11+12)	1.648.344	734.464	355.352	558.528
14. Trade Payables	-	-	-	-
15. Financial Liabilities	1.448.754	1.064.705	384.049	-
16a.Other Monetary Financial Liabilities	66	30	-	36
16b.Other Non-Monetary Financial Liabilities	-	-	-	-
17.Non-Current Liabilities (14+15+16)	1.448.820	1.064.735	384.049	36
18. Total Liabilities (13+17)	3.097.164	1.799.199	739.401	558.564
19. Net asset/liability position of Off balance sheet derivatives(19a-19b)	32.711	71.397	(38.686)	-
19.a.Off balance sheet foreign Currency derivative assets	71.397	71.397	-	-
19b. Off balance sheet foreign Currency derivative liabilities	38.686	-	38.686	-
20. Net foreign currency asset liability position (9-18+19)	(451.333)	(35.505)	55.140	(470.968)
21. Net foreign currency asset/liability position of monetary items (1+2a+5+6a-10-11-12a-14-15-16a)	(761.489)	(143.488)	(138.328)	(479.673)
22 Fair value of foreign currency hedged financial assets	-	-	-	-
23. Exports	29.803	1.500	12.085	4
24. Imports	97.967	3.362	17.153	-

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NOTE 29 - FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

a.1) Foreign currency risk (Continued):

31 December 2012

	TL Equivalent	USD	EUR	Other
1. Trade receivables	163.489	39.503	55.521	68.465
2a.Monetary Financial Assets (Cash, Banks included)	2.217.565	1.510.464	660.602	46.499
2b.Non-Monetary Financial Assets	-	-	-	-
3. Other	215.429	214.874	555	-
4. Current Assets (1+2+3)	2.596.483	1.764.841	716.678	114.964
5. Trade receivables	3.482	3.482	-	-
6a.Monetary Financial Assets	101.161	96.831	4.114	216
6b.Non-Monetary Financial Assets	-	-	-	-
7. Other	235.170	-	235.170	-
8. Non-Current Assets (5+6+7)	339.813	100.313	239.284	216
9. Total Assets (4+8)	2.936.296	1.865.154	955.962	115.180
10.Trade Payables	101.092	38.985	52.791	9.316
11.Financial Liabilities	1.121.642	816.740	304.902	-
12a.Other Monetary Financial Liabilities	39.625	4.160	3.072	32.393
12b.Other Non-Monetary Financial Liabilities	431	51	380	-
13. Current Liabilities (10+11+12)	1.262.790	859.936	361.145	41.709
14. Trade Payables	-	-	-	-
15. Financial Liabilities	1.276.538	871.780	404.758	-
16a. Other Monetary Financial Liabilities	67	30	-	37
16b. Other Non-Monetary Financial Liabilities	-	-	-	-
17.Non-Current Liabilities (14+15+16)	1.276.605	871.810	404.758	37
18. Total Liabilities (13+17)	2.539.395	1.731.746	765.903	41.746
19. Net asset/liability position of Off balance sheet derivatives(19a-19b)	47.289	66.107	(14.326)	(4.492)
19.a.Off balance sheet foreign Currency derivative assets	66.107	66.107	-	-
19b. Off balance sheet foreign Currency derivative liabilities	18.818	-	14.326	4.492
20. Net foreign currency asset liability position (9-18+19)	444.190	199.515	175.733	68.942
21. Net foreign currency asset/liability Position of monetary items (1+2a+5+6a-10-11-12a-14-15-16a)	(53.267)	(81.415)	(45.286)	73.434
22 Fair value of foreign currency hedged financial assets	-	-	-	-
23. Exports	115.547	3.105	57.147	409
24. Imports	475.810	6.773	80.920	-

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NOTE 29 - FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

a. 1) Foreign currency risk (Continued):

As of 31 March 2013 and 31 December 2012, foreign currency denominated asset and liability balances were converted with the following exchange rates: TL 1,8087 = USD 1 and TL 2,3189 = EUR 1 (2012: TL 1,7826 = USD 1 and TL 2,3517 = EUR 1)

31 March 2013

	Income/ Loss	
	Foreign currency appreciate	Foreign currency depreciate
If the USD had changed by %10 against the TL		
1- USD net (liabilities)/assets	(3.551)	3.551
2- Hedging amount of USD (-)	-	-
3- USD net effect on (loss)/income (1+2)	(3.551)	3.551
If the EUR had changed by %10 against the TL		
4- EUR net (liabilities)/assets	5.514	(5.514)
5- Hedging amount of EUR (-)	-	-
6- EUR net effect on (loss)/income (4+5)	5.514	(5.514)
If the Other Currencies had changed by %10 against the TL		
7- Other net (liabilities)/assets	(47.097)	47.097
8- Hedging amount of Other (-)	-	-
9- Other net effect on (loss)/income (7+8)	(47.097)	47.097
TOTAL(3+6+9)	(45.133)	45.133

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NOTE 29 - FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

a.1) Foreign currency risk (Continued)

31 December 2012

	Income/ Loss	
	Foreign currency appreciate If the USD had changed by %10 against the TL	Foreign currency depreciate
1- USD net (liabilities)/assets	19.952	(19.952)
2- Hedging amount of USD (-)	-	-
3- USD net effect on (loss)/income (1+2)	19.952	(19.952)
If the EUR had changed by %10 against the TL		
4- EUR net (liabilities)/assets	17.573	(17.573)
5- Hedging amount of EUR (-)	-	-
6- Avro net effect on income/(loss) (4+5)	17.573	(17.573)
If the Other Currencies had changed by %10 against the TL		
7- Other net (liabilities)/assets	6.894	(6.894)
8- Hedging amount of Other (-)	-	-
9- Other net effect on (loss)/income (7+8)	6.894	(6.894)
TOTAL (3+6+9)	44.419	(44.419)

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 2013 and 31 December 2012, the Group's borrowings at floating rates are predominantly denominated in US Dollars and Euros.

At 31 March 2013, 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 TL 2.459 (31 March 2012: TL 2.106) higher/lower, mainly as a result of high interest expense on floating rate borrowings.

At 31 March 2013, 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 TL 232 (31 March 2012: TL 233) 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 29 - FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

a.2) Interest rate risk (Continued)

At 31 March 2013, 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 TL 3.061 higher/lower, mainly as a result of high interest expense on floating rate borrowings (31 March 2012: TL 2.477).

At 31 March 2013, 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 TL 892 higher/lower, mainly as a result of high interest expense on floating rate borrowings (31 March 2012: 269 TL).

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

	31 March 2013	31 December 2012
Financial instruments with fixed rate		
Financial assets		
- Banks (Note 6)	1.597.669	1.906.516
- Financial investments (Note 7)	186.443	177.043
Financial liabilities (Note 8)	507.055	694.197
Financial instruments with floating rate		
Financial liabilities (Note 8)	1.614.231	1.655.253

b) Credit risk

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

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NOTE 29 - FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

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

	31 March 2013			31 December 2012		
	USD	EUR	TL	USD	EUR	TL
Assets						
Cash and cash equivalents	0,25-5,99	0,15-6,75	3,75-12,30	0,10-6,00	0,25-6,75	3,00-12,30
Financial investments	5,17	-	9,48	5,17	-	9,48
Liabilities						
Financial Liabilities	0,00-9,23	1,12-6,76	0,00-13,13	2,65-6,40	1,30-6,50	0,00-13,13

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

31 March 2013	Up to 3 Months	3 months-1 year	1-5- years	More than 5years	Free of interest	Total
Assets						
Cash and cash equivalents (Note 6)	1.597.669	-	-	-	349.216	1.946.885
Financial investments (Note 7)	-	-	186.443	-	-	186.443
Total	1.597.669	-	186.443	-	349.216	2.133.328
Financial Liabilities (Note 8) ⁽¹⁾	-	928.306	-	-	-	928.306
Total	-	928.306	-	-	-	928.306

31 December 2012	Up to 3 Months	3 months-1 year	1-5- years	More than 5years	Free of interest	Total
Assets						
Cash and cash equivalents (Note 6)	1.973.643	-	-	-	268.619	2.242.262
Financial investments (Note 7)	-	-	173.674	-	2.216	175.890
Total	1.973.643	-	173.674	-	270.835	2.418.152
Liabilities						
Financial Liabilities (Note 8) ⁽¹⁾	-	1.309.188	1.427.043	-	-	2.736.231
Total	-	1.309.188	1.427.043	-	-	2.736.231

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

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NOTE 29- FINANCIAL RISK MANAGEMENT (Continued)

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

	Trade receivables		Other receivables		Cash and cash equivalents
	Related party	Other	Related party	Other	
Maximum net credit risk as of balance sheet date	20.386	755.268	76.880	509.264	1.685.938
- The part of maximum risk under guarantee with collatarel	-	44.126	-	321.151	-
A. Net book value of neither past due nor impaired financial assets	20.386	550.281	76.880	509.260	1.685.938
- Guaranteed amount by collateral	-	20.148	-	321.151	-
B. Book value of restructured otherwise accepted as past due and impaired financial assets	-	-	-	-	-
C. Net book value of past due but not impaired assets (Note 9)	-	204.987	-	4	-
- Guaranteed amount by collateral (Note 9)	-	23.978	-	-	-
D. Impaired asset net book value	-	-	-	-	-
- Past due (gross amount) (Note 9)	-	206.999	-	772	-
- Impairment (-) (Note 9)	-	(206.999)	-	(772)	-
- Net value collateralized or guaranteed part of net value	-	-	-	-	-
- Not over due (gross amount)	-	-	-	-	-
- Impairment (-)	-	-	-	-	-
- Net value collateralized or guaranteed part of net value	-	-	-	-	-

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NOTE 29 - FINANCIAL RISK MANAGEMENT (Continued)

The Group's credit risk of financial instruments as of 31 December 2012 is as follows:

	Trade receivables		Other receivables		Cash and cash equivalents
	Related party	Other	Related party	Other	
Maximum net credit risk as of balance sheet date	18.960	700.050	71.249	527.021	1.969.406
- The part of maximum risk under guarantee with collateral	-	66.691	-	316.612	-
A. Net book value of neither past due nor impaired financial assets	18.960	560.287	71.249	527.021	1.969.406
- Guaranteed amount by collateral	-	41.032	-	316.612	-
B. Book value of restructured otherwise accepted as past due and impaired financial assets	-	-	-	-	-
C. Net book value of past due but not impaired assets (Note 9)	-	139.763	-	-	-
- Guaranteed amount by collateral (Note 9)	-	25.659	-	-	-
D. Impaired asset net book value	-	-	-	-	-
- Past due (gross amount) (Note 9)	-	201.844	-	747	-
- Impairment (-) (Note 9)	-	(201.844)	-	(747)	-
- Net value collateralized or guaranteed part of net value	-	-	-	-	-
- Not over due (gross amount)	-	-	-	-	-
- Impairment (-)	-	-	-	-	-
- Net value collateralized or guaranteed part of net value	-	-	-	-	-

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NOTE 29 - FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (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 2013		31 December 2012	
	Related Party	Other Receivables	Related Party	Other Receivables
0-30 days overdue	-	93.098	-	58.294
1-3 months overdue	-	55.498	-	45.010
3-12 months overdue	-	42.660	-	32.834
1-5 years overdue	-	9.600	-	8.879
More than 5 years	-	4.131	-	447
Total	-	204.987	-	145.464
Guaranteed amount by collateral				
Media	-	19.702	-	22.102
Retail	-	-	-	-
Other	-	4.276	-	3.557
Total	-	23.978	-	25.659

d) Liquidity risk

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

As of 31 March 2013 and 31 December 2012, undiscounted cash flows of financial liabilities based on the agreement maturities are as follows:

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NOTE 29 - FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

d) Liquidity risk (Continued)

31 March 2013	Book value	Contractual undiscounted cash flow	Less than 3 months	3-12 months	1-5 years	Over 5 years
Non-derivative financial liabilities						
Financial borrowings (Note 8)	2.121.286	2.296.663	604.979	398.526	1.115.367	177.791
Trade payables (Note 9)	389.532	389.965	363.958	26.007	-	-
Other financial liabilities	300.508	325.022	14.627	14.627	295.768	-
Other liabilities	122.395	124.608	87.540	32.860	4.208	-
Due to related parties (Note 28)	23.170	23.170	23.170	-	-	-
	2.956.891	3.159.428	1.094.274	472.020	1.415.343	177.791

Derivative financial liabilities

Derivative cash inflow (Note 7)	2.657	45.471	3.869	2.292	39.310	-
Derivative cash outflow	(1.711)	(1.717)	(852)	(584)	(281)	-
Derivative cash inflow/outflow, net	946	43.754	3.017	1.708	39.029	-

31 December 2012	Book value	Contractual undiscounted cash flow	Less than 3 months	3-12 months	1-5 years	Over 5 years
Non-derivative financial liabilities						
Financial borrowings (Note 8)	2.349.450	2.526.650	756.494	702.834	879.532	187.790
Trade payables (Note 10)	354.257	358.198	254.252	103.946	-	-
Other financial liabilities	452.432	459.347	145.228	18.207	295.912	-
Other liabilities	94.805	96.941	88.962	255	7.724	-
Due to related parties (Note 31)	19.606	19.607	19.579	28	-	-
	3.270.550	3.460.743	1.264.515	825.270	1.183.168	187.790

Derivative financial liabilities

Derivative cash inflow (Note 7)	882	33.683	33.373	257	53	-
Derivative cash outflow	(1.683)	(1.692)	-	(1.415)	(277)	-
Derivative cash inflow/outflow, net	(801)	31.991	33.373	(1.158)	(224)	-

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 29 - FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (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 29 - FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

f) Capital risk management (Continued)

The net liability/total equity ratio at 31 March 2013 and 31 December 2012 is summarized below:

	31 March 2013	31 December 2012
Total liability ⁽¹⁾	3.186.487	3.493.006
Less: Cash and cash equivalents (Note 6)	(1.933.496)	(2.136.145)
Net liability	1.252.991	1.356.861
Equity	3.157.606	3.181.006
Total equity	4.410.597	4.537.867
Gearing ratio	%28	%30

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

NOTE 30 - 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 30 - FINANCIAL INSTRUMENTS (Continued)

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

		<u>Fair value at reporting date</u>		
	31 March 2013	Level 1 TL	Level 2 TL	Level 3 TL
Financial assets				
Financial assets at FVTPL				
Trading securities				
Trading derivatives				
Derivative Instruments	2.657	-	2.657	-
Available-for-sale financial assets	-	-	-	-
Bonds and bills	186.443	186.443	-	-
Total	189.100	186.443	2.657	-

Financial liabilities

Financial liabilities at FVTPL				
Trading securities				
Trading derivatives				
Derivative instruments	(1.711)	-	(1.711)	-
Other financial liabilities	14.627	-	-	14.627
Total	12.916	-	(1.711)	14.627

		<u>Fair value at reporting date</u>		
	31 December 2012	Level 1 TL	Level 2 TL	Level 3 TL
Financial assets				
Financial assets at FVTPL				
Trading securities				
Trading derivatives				
Derivative Instruments	882	-	882	-
Available-for-sale financial assets	-	-	-	-
Bonds and bills	174.556	174.556	-	-
Total	175.438	174.556	1.102	-

Financial liabilities

Financial liabilities at FVTPL				
Trading securities				
Trading derivatives	-	-	-	-
Derivative instruments	(1.683)	-	(1.683)	-
Other financial liabilities	18.207	-	-	18.207
Total	20.937	-	2.730	18.207

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NOTE 31 - SUBSEQUENT EVENTS

DMK – Acquisition of Financial Non-Current Asset

Subsidiary of the Group, DMK (D&R) finalized the purchasing of shares representing the total capital of Elektronik Bilgi İletişim Hizmetleri Reklamcılık ve Ticaret A.Ş. ("idefix", "prefix") on 10 May 2013.

As it is known, shares representing the total capital of Elektronik Bilgi İletişim Hizmetleri Reklamcılık ve Ticaret A.Ş. being purchased by Doğan Müzik Kitap Mağazacılık Pazarlama A.Ş. from Canan Çelebioğlu, Mehmet Budak, İdil Eser, Cahit Can Tokgöz ve Mehmet Kaya (together "Buyers") according to the "Share purchase and Sale Agreement" signed has been announced to public with a material event disclosure on 17 April 2013.

As at the closing date of 10 May 2013, share purchase transaction has been completed with the "Closing Conditions" being fulfilled that is specified in "Share purchase and Sale Agreement" and the payment of TL 8.369.008 (full) which is 75% of revised total consideration amount. 25% of revised total consideration amount will be paid on 75 days after the "Closing" date the latest, subject to the audited "Financial Statements as of the Closing Date".

Doğan TV Holding –Approval of RTSC in regards to the Acquisition of Preliminary License Option

The following Doğan TV Holding companies have won the RTSC Local Terrestrial Frequency tender held on 16, 17 & 18 April 2013 in Ankara. DTV Haber Görsel has acquired the 10-year general HD broadcasting preliminary license option in consideration of TL 51.200; Doruk and Eko TV have acquired the general SD broadcasting preliminary license option in consideration of TL 26.450 and TL 26.400, respectively and Süper Kanal has acquired the SD thematic broadcasting preliminary license option in consideration of TL 1.000 and related offers are approved by the RTSC on 24 April 2013.

Approval of Financial Statements

The consolidated financial statements for the period ended 31 March 2013 were approved by the Board of Directors on 17 May 2013. Other than Board of Directors has no authority to change financial statements.

NOTE 32 - DISCLOSURE OF OTHER MATTERS

None