

HÜRRİYET GAZETECİLİK VE MATBAACILIK A.Ş.

**CONVENIENCE TRANSLATION INTO ENGLISH OF
CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD 1 JANUARY - 30 JUNE 2009**

**CONVENIENCE TRANSLATION INTO ENGLISH OF
INDEPENDENT AUDITOR'S REVIEW REPORT
ORIGINALLY ISSUED IN TURKISH**

**REPORT ON REVIEW OF
CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

To the Board of Directors of Hürriyet Gazetecilik ve Matbaacılık A.Ş.

Introduction

1. We have reviewed the accompanying consolidated balance sheet of Hürriyet Gazetecilik ve Matbaacılık A.Ş. (the "Company") and its subsidiaries (the "Group") as of 30 June 2009, and the related consolidated statement of comprehensive income, changes in equity, cash flows for the six-month period then ended and a summary of significant accounting policies and other explanatory notes. The Group management is responsible for the preparation and fair presentation of these consolidated interim financial statements in accordance with the financial reporting standards issued by the Capital Markets Board of Turkey. Our responsibility is to express a conclusion on these consolidated interim financial statements based on our review.

Scope of review

2. We conducted our review in accordance with the principles and standards on the review of interim financial statements as set out in "Section 34 of the Communiqué No: X-22 on the auditing standards issued by the Capital Markets Board of Turkey". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with independent auditing standards issued by the Capital Markets Board of Turkey and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an independent audit opinion.

Conclusion

3. Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated interim financial statements do not give a true and fair view of the financial position of Hürriyet Gazetecilik ve Matbaacılık A.Ş. as at 30 June 2009, and of its financial performance and its cash flows for the six month period then ended in accordance with financial reporting standards issued by the Capital Markets Board of Turkey (Note 2).

Without qualifying our conclusion we draw attention to the following matters:

4. As stated in Note 18 in detail, the tax inspection reports regarding the tax reviews of the prior financial periods of the Company imposed payment of a tax principal of TL12.3 million, a tax loss penalty of TL12.3 million and a special irregularity penalty of TL165 thousand. The notifications regarding the tax investigation reports have not arrived to the Company by the date of this report. In accordance with the opinions of the Group's legal counsel and tax experts on the tax inspection reports, the Company management has accounted for a provision amounting to TL15,2 million, including the estimated late payment interest, in the accompanying consolidated financial statements in connection with such tax inspection reports for which the legal procedures have not been started by the date of this report. Since the legal proceedings in connection with the tax inspection reports have not been started yet and there is uncertainty about the process and outcome of such proceedings.

Additional paragraph for convenience translation into English

5. The accounting principles described in Note 2 to the interim consolidated financial statements differ from International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board with respect to the application of inflation accounting for the period between 1 January - 31 December 2005. Accordingly, the accompanying interim consolidated financial statements are not intended to present the financial position and results of operations of the Group in accordance with IFRS.

Başaran Nas Bağımsız Denetim ve
Serbest Muhasebeci Mali Müşavirlik A.Ş.
a member of
PricewaterhouseCoopers

**ORIGINALLY SIGNED
IN TURKISH**

Gökhan Yüksel, SMMM
Partner

Istanbul, 26 August 2009

**CONVENIENCE TRANSLATION INTO ENGLISH OF
FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH**

HÜRRİYET GAZETECİLİK VE MATBAACILIK A.Ş.

**CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD 1 JANUARY-30 JUNE 2009**

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HÜRRİYET GAZETECİLİK VE MATBAACILIK A.Ş.

**CONSOLIDATED BALANCE SHEETS
AT 30 JUNE 2009 AND 31 DECEMBER 2008**

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

	Notes references	30 June 2009	31 December 2008
ASSETS			
Current assets		518.358.279	649.946.695
Cash and cash equivalents	5	262.441.719	370.325.965
Financial assets	6	18.655.775	-
Trade receivables		176.572.525	186.925.592
Due from related parties	32	35.054.673	35.893.074
Other trade receivables	9	141.517.852	151.032.518
Other receivables	10	2.566.583	16.693.096
Inventories	11	21.657.526	23.450.512
Other current assets		36.464.151	52.551.530
Advances due from related parties	32	-	1.135.207
Other current assets	21	36.464.151	51.416.323
Non-current assets		1.344.468.404	1.394.403.127
Trade receivables	9	1.076.509	7.348.295
Other receivables	10	735.603	300.753
Financial assets	6	4.884.477	4.995.077
Investments accounted for by the equity method	12	8.624.414	316.468
Investment property	13	17.516.236	21.976.902
Property, plant and equipment	14	524.679.636	529.130.300
Intangible assets	15	551.209.269	581.187.362
Goodwill	16	227.685.831	236.449.857
Deferred tax assets	30	5.553.097	4.389.893
Other non-current assets	21	2.503.332	8.308.220
Total assets		1.862.826.683	2.044.349.822

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

**CONVENIENCE TRANSLATION INTO ENGLISH OF
FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH**

HÜRRİYET GAZETECİLİK VE MATBAACILIK A.Ş.

**CONSOLIDATED BALANCE SHEETS
AT 30 JUNE 2009 AND 31 DECEMBER 2008**

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

	Notes references	30 June 2009	31 December 2008
LIABILITIES			
Current liabilities		328.403.876	374.320.532
Short-term financial liabilities	7	213.950.880	275.661.409
Other financial liabilities	8	12.669.228	13.686.315
Trade payables		40.275.735	45.024.266
Due to related parties	32	2.520.532	6.211.157
Other trade payables	9	37.755.203	38.813.109
Other payables	10	17.086.421	15.568.257
Current income tax liabilities	30	1.360.345	2.159.564
Provisions	18	23.074.908	6.731.599
Other current liabilities	21	19.986.359	15.489.122
Non-current liabilities		687.823.886	783.830.147
Long-term financial liabilities	7	534.093.924	627.937.892
Other financial liabilities	8	5.364.531	6.043.151
Other payables	10	191.263	189.038
Provision for employment termination benefits	20	11.683.372	11.744.969
Deferred tax liabilities	30	136.418.881	137.530.974
Other non-current liabilities		71.915	384.123
TOTAL EQUITY			
Shareholders' equity		846.598.921	886.199.143
Equity attributable to equity holders of the company			
Share capital		460.000.000	460.000.000
Inflation adjustment to share capital		77.198.813	77.198.813
Translation reserve		(18.636.530)	(2.949.588)
Restricted reserves		27.716.536	27.310.182
Retained earnings		191.091.821	229.592.042
Net loss for the period		(14.536.727)	(38.093.867)
Minority interests		123.765.008	133.141.561
Total liabilities and shareholders' equity		1.862.826.683	2.044.349.822

These consolidated financial statements as at and for the period ended 30 June 2009 were approved by the Board of Directors on 26 August 2009.

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

**CONVENIENCE TRANSLATION INTO ENGLISH OF
FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH**

HÜRRİYET GAZETECİLİK VE MATBAACILIK A.Ş.

**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
AS AT 30 JUNE AND FOR THE SIX-MONTH INTERIM PERIODS ENDED**

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

	Notes references	2009		2008	
		1 January - 30 June	1 April - 30 June	1 January - 30 June	1 April - 30 June
<u>Continued operations</u>					
Sales	23	386.242.753	212.226.008	506.395.715	286.049.606
Cost of sales (-)	23	(251.814.827)	(128.956.790)	(286.941.439)	(156.983.595)
Gross profit		134.427.926	83.269.218	219.454.276	129.066.011
Marketing, selling and distribution expenses (-)	24	(36.606.190)	(20.260.631)	(64.229.113)	(37.084.725)
General administrative expenses (-)	24	(74.480.539)	(38.934.799)	(86.018.750)	(46.167.131)
Other operating income	26	2.338.677	454.787	3.303.551	1.855.782
Other operating expenses (-)	26	(25.366.535)	(22.633.241)	(3.065.679)	(1.450.914)
Operating income		313.339	1.895.334	69.444.285	46.219.023
Share of loss of investments accounted for by the equity method	12	(4.336.477)	(1.033.878)	(3.717.585)	(949.612)
Financial income	27	100.753.622	62.573.255	63.058.281	35.152.527
Financial expenses (-)	28	(112.036.383)	(11.336.890)	(102.239.532)	(19.100.568)
(Loss)/ profit before tax from continuing operations		(15.305.899)	52.097.821	26.545.449	61.321.370
Taxation from continuing operations					
Current tax for the period	30	(3.155.420)	(1.839.796)	(19.356.025)	(11.004.356)
Deferred tax (expense)/income	30	(2.362.933)	(12.923.761)	1.944.514	(6.166.430)
(Loss)/profit from continuing operations		(20.824.252)	37.334.264	9.133.938	44.150.584
<u>Discontinued operations</u>					
Discontinued operations income after tax	29	-	-	59.189.458	58.830.788
Net (loss)/profit for the period		(20.824.252)	37.334.264	68.323.396	102.981.372
<u>Other comprehensive (loss)/income:</u>					
Change in translation reserves		(18.775.970)	(22.706.391)	64.185.991	(6.658.702)
Other comprehensive (loss)/income after tax		(18.775.970)	(22.706.391)	64.185.991	(6.658.702)
Total comprehensive (loss)/income		(39.600.222)	14.627.873	132.509.387	96.322.670
Net (loss)/profit for the period		(20.824.252)	37.334.264	68.323.396	102.981.372
Allocation of net (loss)/income for the period					
Attributable to minority interests		(6.287.525)	2.068.683	21.607.765	20.639.496
Attributable to equity holders of the company		(14.536.727)	35.265.581	46.715.631	82.341.876
Allocation of net comprehensive (loss)/income for the period					
Attributable to minority interests		(9.376.553)	(4.188.052)	32.411.574	18.365.848
Attributable to equity holders of the company		(30.223.669)	18.815.925	100.097.813	77.956.822
(Loss)/earnings per share (Kr)	31	(3,16)	7,67	10,16	17,90

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

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HÜRRİYET GAZETECİLİK VE MATBAACILIK A.Ş.

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
AS AT 30 JUNE AND FOR THE SIX-MONTH INTERIM PERIODS ENDED

(Amounts expressed in Turkish Lira ("TL"), unless otherwise indicated)

	Share capital	Inflation adjustment to share capital	Translation reserves	Restricted reserves	Retained earnings	Net income / (loss) for the period	Minority interests	Total shareholders' equity
Balances at 1 January 2008	421.000.000	77.198.813	(50.857.712)	22.516.607	179.198.476	94.187.141	110.582.454	853.825.779
Transfers	-	-	-	4.793.575	89.393.566	(94.187.141)	-	-
Capital increase	39.000.000	-	-	-	(39.000.000)	-	-	-
Subsidiaries' dividend payments to non-group companies	-	-	-	-	-	-	(1.608.305)	(1.608.305)
Total comprehensive income	-	-	53.382.182	-	-	46.715.631	32.411.574	132.509.387
<i>Change in translation reserves</i>	-	-	<i>53.382.182</i>	-	-	-	<i>10.803.809</i>	<i>64.185.991</i>
<i>Net income for the period</i>	-	-	-	-	-	<i>46.715.631</i>	<i>21.607.765</i>	<i>68.323.396</i>
Balances at 30 June 2008	460.000.000	77.198.813	2.524.470	27.310.182	229.592.042	46.715.631	141.385.723	984.726.861
Balances at 1 January 2009	460.000.000	77.198.813	(2.949.588)	27.310.182	229.592.042	(38.093.867)	133.141.561	886.199.143
Transfers	-	-	-	406.354	(38.500.221)	38.093.867	-	-
Capital increase	-	-	-	-	-	-	-	-
Subsidiaries' dividend payments to non-group companies	-	-	-	-	-	-	-	-
Total comprehensive income	-	-	(15.686.942)	-	-	(14.536.727)	(9.376.553)	(39.600.222)
<i>Change in translation reserves</i>	-	-	<i>(15.686.942)</i>	-	-	-	<i>(3.089.028)</i>	<i>(18.775.970)</i>
<i>Net loss for the period</i>	-	-	-	-	-	<i>(14.536.727)</i>	<i>(6.287.525)</i>	<i>(20.824.252)</i>
Balances at 30 June 2009	460.000.000	77.198.813	(18.636.530)	27.716.536	191.091.821	(14.536.727)	123.765.008	846.598.921

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

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HÜRRİYET GAZETECİLİK VE MATBAACILIK A.Ş.

**CONSOLIDATED STATEMENTS OF CASH FLOWS
AT 30 JUNE AND FOR THE SIX-MONTH INTERIM PERIODS ENDED**

(Amounts expressed in Turkish Lira ("TL"), unless otherwise indicated)

	Notes references	30 June 2009	30 June 2008
Net loss from continuing operations		(14.536.727)	(12.473.825)
Minority interests		(6.287.525)	21.607.765
Profit from discontinued operations		-	59.189.456
Adjustments:			
Depreciation	13,14	29.926.464	28.065.795
Amortisation	15	13.212.849	10.891.448
Net loss on disposal of property, plant and equipment and intangible assets		1.336.088	259.008
Taxation	30	5.518.353	17.411.511
Provision for employment termination benefits and unused vacation rights		2.398.103	2.885.238
Actuarial gain	20	431.019	1.001.369
Income accruals		8.090.336	(152.708)
Interest income	27	(18.628.313)	(13.647.126)
Interest expenses	28	16.317.546	21.964.692
Foreign exchange losses from bank borrowings		32.831.627	24.580.019
Deferred income		(899.408)	4.894.861
Gain on sale of subsidiaries	29	-	(58.675.805)
Provision for tax penalty	18	15.209.000	-
Provision for doubtful receivables	9	6.007.702	2.115.396
Loss from investments accounted for by the equity method	12	4.336.477	3.717.585
Other provision expenses		248.621	53.292
Cash flows from operating activities before changes in operating assets and liabilities		95.512.212	113.687.971
Changes in operating assets and liabilities-net	35	11.339.044	(24.867.978)
Prepaid taxes that are collected back from tax authorities		8.494.356	-
Income taxes paid		(4.328.382)	(21.348.456)
Doubtful receivables collected	9	281.888	2.718.324
Employment termination benefits paid	20	(1.850.699)	(949.865)
Net cash provided by operating activities		109.448.419	69.239.996
Cash flow from investing activities:			
Purchases of investment properties	13	(5.756.506)	(5.960.713)
Purchases of property, plant and equipment	14	(29.079.628)	(16.519.129)
Purchases of intangible assets	15	(2.325.513)	(3.600.523)
Proceeds from sales of property, plant and equipment, intangible assets and investment properties		11.587.177	718.467
Interests received		18.760.999	13.709.568
Cash received from disposal of discontinued operations		-	66.141.473
Acquisition of subsidiaries, net paid		-	(631.162)
Share capital increase in associates and financial assets	12	(13.027.198)	-
Net cash (used in)/provided by investing activities		(19.840.669)	53.857.981
Cash used in financing activities:			
Dividends paid to minority interests		-	(1.608.305)
Bank borrowings received		-	55.074.153
Bank borrowings paid		(175.656.584)	(71.915.126)
Change in trade payables to suppliers		1.740.883	6.622.325
Interests paid		(20.220.656)	(21.149.327)
Net cash used in financing activities		(194.136.357)	(32.976.280)
Exchange (losses)/gains on cash and cash equivalents		(2.284.348)	1.480.122
Change in cash and cash equivalents		(106.812.955)	91.601.819
Cash and cash equivalents at the beginning of the period	5	368.219.091	137.353.720
Cash and cash equivalents at the end of the period	5	261.406.136	228.955.539

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

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FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH**

HÜRRİYET GAZETECİLİK VE MATBAACILIK A.Ş.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT
AND FOR THE SIX-MONTH INTERIM PERIOD ENDED 30 JUNE 2009**

(Amounts expressed in Turkish lira (“TL”), unless otherwise indicated)

NOTE 1 - ORGANISATION AND NATURE OF OPERATIONS

Hürriyet Gazetecilik ve Matbaacılık A.Ş. (“Hürriyet” or the “Company”) was established in 1960 and is registered in Turkey. The Company undertakes journalism, printing and advertising activities. The Company operates seven printing plants in Turkey with locations in Istanbul, Ankara, Izmir, Adana, Antalya, Trabzon and in Germany. The Company acquired 67,30% shares of Trader Media East Ltd. (“TME”) through its Subsidiary Hurriyet Invest B.V. at 29 March 2007. TME undertakes classified advertising mainly for real estate, automotive and human resources businesses through daily and weekly newspapers, periodicals, magazines and internet services, primarily in Russia and various Eastern European (“EE”) countries. The Company is a member of Doğan Şirketler Grubu Holding A.Ş. (“Doğan Holding”) through the investment of Doğan Yayın Holding A.Ş. (“Doğan Yayın”), which has a majority ownership in the Company (Note 22).

The address of the registered office is as follows:

Hürriyet Medya Towers
34212 Güneşli, Istanbul
Turkey

The Company is registered to the Capital Markets Board (“CMB”) and its shares have been quoted on the Istanbul Stock Exchange (“ISE”) since 1992. 40% of the capital of the Company is circulated on the ISE. 25,02% capital of the TME is circulated on London Stock Exchange as Global Depository Receipts (“GDR”). GDR generally means the guaranteeing of a company’s shares, the making public of the certificates that can be transferred by negotiation, and their being listed in the stock exchange independent of company shares.

Subsidiaries

The name of the Company’s subsidiaries (“Subsidiaries”), the nature of the business and geographic segments are as follows:

Subsidiaries	Registered country	Geographic segment	Nature of business
Hürriyet Medya Basım Hizmetleri ve Ticaret A.Ş. (“Hürriyet Medya Basım”)	Turkey	Turkey	Printing and administrative services
Doğan Ofset Yayıncılık ve Matbaacılık A.Ş. (“Doğan Ofset”)	Turkey	Turkey	Magazine and book publishing
Yenibirış İnsan Kaynakları Hizmetleri Danışmanlık ve Yayıncılık A.Ş. (“Yenibir”)	Turkey	Turkey	Internet publishing
Referans Yayın Dağıtım ve Kurye Hizmetleri A.Ş (“Refeks”)	Turkey	Turkey	Advertisement
Doğan Haber Ajansı A.Ş. (“Doğan Haber”)	Turkey	Turkey	News agency
Doğan Daily News Gazetecilik ve Matbaacılık A.Ş. (“Doğan Daily News”)	Turkey	Turkey	Newspaper publishing
Emlaksimum Elektronik Yayıncılık ve Ticaret A.Ş. (“Emlaksimum”)	Turkey	Turkey	Internet publishing
TME Teknoloji Proje Geliştirme ve Yazılım A.Ş.	Turkey	Russia and EE	Software development
Hürriyet Zweigniederlassung GmbH. (“Hürriyet Zweigniederlassung”)	Germany	Europe	Newspaper publishing
Hürriyet Invest B.V. (“Hürriyet Invest”)	Netherlands	Europe	Investment
TME	Jersey	Europe	Investment
Oglasnik d.o.o.	Croatia	Europe	Newspaper and internet publishing
Oglasnik Nekretnine d.o.o.	Croatia	Europe	Newspaper and internet publishing
TCM Adria d.o.o.	Croatia	Europe	Investment
Internet Posao d.o.o.	Croatia	Europe	Internet publishing
Expressz Magyarorszag Rt	Hungary	Europe	Newspaper and internet publishing
Szuperinfo Magyarorszag Kft	Hungary	Europe	Newspaper and internet publishing
International Ssuarts Holding B.V.	Netherlands	Europe	Investment
Mirabridge International B.V.	Netherlands	Europe	Investment
Trader Classified Media Croatia Holdings B.V.	Netherlands	Europe	Investment
Trader East Holdings B.V.	Netherlands	Europe	Investment
Pronto Invest B.V.	Netherlands	Europe	Investment
Siodemka Sp. Z.o.o.	Poland	Europe	Newspaper and internet publishing
Ssuarts Holding GmbH	Austria	Europe	Investment
ZAO Pronto Akzhol	Kazakhstan	Russia and EE	Newspaper and internet publishing
OOO Pronto-Akmola	Kazakhstan	Russia and EE	Newspaper and internet publishing
OOO Pronto Atyrau	Kazakhstan	Russia and EE	Newspaper and internet publishing
OOO Pronto Aktobe	Russia	Russia and EE	Newspaper and internet publishing
OOO Pronto Aktau	Kazakhstan	Russia and EE	Newspaper and internet publishing

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HÜRRİYET GAZETECİLİK VE MATBAACILIK A.Ş.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT
AND FOR THE SIX-MONTH INTERIM PERIOD ENDED 30 JUNE 2009**

(Amounts expressed in Turkish lira ("TL"), unless otherwise indicated)

NOTE 1 - ORGANISATION AND NATURE OF OPERATIONS (Continued)

Subsidiaries (Continued)

Subsidiaries	Registered country	Geographic segment	Nature of business
Informatsia Vilniusa	Lithuania	Russia and EE	Newspaper and internet publishing
OOO Pronto Rostov	Belarus	Russia and EE	Newspaper and internet publishing
ZAO Avtotehsnab	Russia	Russia and EE	Newspaper and internet publishing
OOO Novoprint	Russia	Russia and EE	Newspaper and internet publishing
ZAO NPK	Russia	Russia and EE	Call center
OOO Balt-Pronto Kaliningrad	Russia	Russia and EE	Newspaper and internet publishing
OOO Delta-M	Russia	Russia and EE	Newspaper and internet publishing
OOO Gratis	Russia	Russia and EE	Newspaper and internet publishing
OOO Pronto Baikal	Russia	Russia and EE	Newspaper and internet publishing
OOO Pronto DV	Russia	Russia and EE	Newspaper and internet publishing
OOO Pronto Ivanovo	Russia	Russia and EE	Newspaper and internet publishing
OOO Pronto Kaliningrad	Russia	Russia and EE	Newspaper and internet publishing
OOO Pronto Kazan	Russia	Russia and EE	Newspaper and internet publishing
OOO Pronto Krasnodar	Russia	Russia and EE	Newspaper and internet publishing
OOO Pronto Krasnojarsk	Russia	Russia and EE	Newspaper and internet publishing
OOO Pronto Nizhnij Novgorod	Russia	Russia and EE	Newspaper and internet publishing
OOO Pronto Novosibirsk	Russia	Russia and EE	Newspaper and internet publishing
OOO Pronto Oka	Russia	Russia and EE	Newspaper and internet publishing
OOO Pronto Petersburg	Russia	Russia and EE	Newspaper and internet publishing
OOO Pronto Print	Russia	Russia and EE	Printing services
OOO Pronto Samara	Russia	Russia and EE	Newspaper and internet publishing
OOO Pronto Stavropol	Russia	Russia and EE	Newspaper and internet publishing
OOO Pronto UlanUde	Russia	Russia and EE	Newspaper and internet publishing
OOO Pronto Vladivostok	Russia	Russia and EE	Newspaper and internet publishing
OOO Pronto Volgograd	Russia	Russia and EE	Newspaper and internet publishing
OOO Pronto Moscow	Russia	Russia and EE	Newspaper and internet publishing
OOO Rosprint	Russia	Russia and EE	Printing services
OOO Rosprint Samara	Russia	Russia and EE	Printing services
OOO Tambukan	Russia	Russia and EE	Newspaper and internet publishing
OOO Utro Peterburga	Russia	Russia and EE	Newspaper and internet publishing
OOO Partner-Soft	Russia	Russia and EE	Internet publishing
Pronto Soft	Russia	Russia and EE	Internet publishing
OOO Pronto Astrakhan	Russia	Russia and EE	Newspaper and internet publishing
OOO Pronto Kemerovo	Russia	Russia and EE	Newspaper and internet publishing
OOO Pronto Sever	Russia	Russia and EE	Newspaper and internet publishing
OOO Pronto Smolensk	Russia	Russia and EE	Newspaper and internet publishing
OOO Pronto Tula	Russia	Russia and EE	Newspaper and internet publishing
OOO Pronto TV	Russia	Russia and EE	TV publishing
OOO Pronto Voronezh	Russia	Russia and EE	Newspaper and internet publishing
SP Belpronto OOO	Belarus	Russia and EE	Newspaper and internet publishing
OOO Tambov-Info	Russia	Russia and EE	Newspaper and internet publishing
Impress Media Marketing LLC	Russia	Russia and EE	Publishing
OOO Pronto Obninsk	Russia	Russia and EE	Newspaper and internet publishing
OOO Pronto Komi	Russia	Russia and EE	Newspaper and internet publishing
OOO Rektcentr	Russia	Russia and EE	Investment
Impress Media Marketing BVI	Russia	Russia and EE	Publishing
SP Pronto Kiev	Ukraine	Russia and EE	Newspaper and internet publishing
Ssuarts Trading Ltd	Ukraine	Russia and EE	Investment
E-Prostir	Ukraine	Russia and EE	Internet publishing
Publishing House Pennsylvania Inc	USA	Russia and EE	Investment
OOO Optoprint	Russia	Russia and EE	Publishing
RU.com OOO	Russia	Russia and EE	Internet publishing
SP Bel Pronto OOO BYR	Russia	Russia and EE	Newspaper and internet publishing
Mojo Delo spletni marketing d.o.o	Slovenia	Europe	Internet publishing
Bolji Posao d.o.o. Serbia	Serbia	Europe	Internet publishing
Bolji Posao d.o.o. Bosnia	Bosnia	Europe	Internet publishing

The Company and its Subsidiaries (the "Group") operate predominantly in media segment. The Group operates significantly in foreign countries after the acquisition of TME. Accordingly, the Group reports geographical segments in these consolidated financial statements (Note 4).

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(Amounts expressed in Turkish lira (“TL”), unless otherwise indicated)

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

2.1 Basis of presentation

2.1.1 Financial reporting standards

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

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

Within the scope of CMB’s Communiqué Serial XI, No: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 Turkish Accounting Standards Board as of the date of these financial statements. Consolidated financial statements and accompanying notes have been presented in accordance with the format, recommended to be implemented by CMB through its announcements dated 17 April 2008 and 9 January 2009, and by including the mandatory information. In this regard necessary changes have been made in the consolidated financial statements of prior periods (Note 2.1.5).

2.1.2 Financial statements of Subsidiaries and Associates operating in foreign countries

The financial statements of Subsidiaries and Associates operating in foreign countries are prepared according to the regulations of the countries where they operate and the necessary adjustments and reclassifications have been reflected in order to comply with basis of presentation that are explained in Note 2.1.1. The assets and liabilities of foreign Subsidiaries and Associates are translated into TL using the relevant foreign exchange rates prevailing at the balance sheet date. The results of the foreign Subsidiaries and Associates are translated into TL using average exchange rate for the period. Exchange differences arising on translation of the opening net assets of foreign Subsidiaries and Associates and arising from using closing and average exchange rates are included in the shareholders’ equity as currency translation differences. When a foreign operation is partially disposed of or sold, exchange differences that were recorded in equity are recognised in the statement of income as part of the gain or loss on disposal. 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.

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

2.1.3 Consolidation principles

The consolidated financial statements include the accounts of the parent company, Hürriyet, its Subsidiaries, and its Associates (collectively referred as the “Group”) on the basis set out in sections (a) to (d) 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 application of uniform accounting policies and presentations; adjustments and reclassifications.

(a) Subsidiaries

Subsidiaries are companies in which the Company has power to control the financial and operating policies for the benefit of the Company either (a) through the power to exercise more than 50% voting rights relating to shares in the companies as a result of shares owned directly and indirectly by itself and/or by companies whereby the Company exercises control over the voting rights of (but does not have the economic benefit of) the shares held by them; 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. The result of operations of subsidiaries are included or excluded in these consolidated financial statements subsequent to the date of acquisition or the date of disposal respectively.

All business combinations have been accounted for by applying the purchase method by the Group. The cost of a business combination includes, the fair value at the date of exchange of monetary assets given, capital instruments written-down, equity instruments issued, liabilities incurred or assumed by the acquirer in exchange for control of the acquiree and costs directly attributable to the combination. The acquirer recognizes the acquiree's identifiable assets, liabilities and contingent liabilities at their fair values at the acquisition date, without considering any minority interest. Goodwill is measured as the residual cost of the business combination after recognizing the acquiree's identifiable assets, liabilities and contingent liabilities. If the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognized exceeds the cost of the business combination, the Group reassess the identification and measurement of the identifiable assets, liabilities and contingent liabilities and the measurement of the cost of the combination and recognize immediately in income statement any excess remaining after that reassessment.

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(Amounts expressed in Turkish lira ("TL"), unless otherwise indicated)

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

2.1.3 Consolidation principles (Continued)

(a) Subsidiaries (Continued)

The Subsidiaries and their effective ownership interests at 30 June 2009 and 31 December 2008 are as follows:

Subsidiaries	Proportion of voting power held by Hürriyet and its subsidiaries (%)		Effective ownership interests (%)	
	30 June 2009	31 December 2008	30 June 2009	31 December 2008
Hürriyet Medya Basım	99,99	99,99	99,99	99,99
Doğan Ofset	99,89	99,89	99,89	99,89
Yenibir	100,00	100,00	100,00	100,00
Refeks	100,00	100,00	100,00	100,00
Doğan Haber	50,01	50,01	50,01	50,01
Doğan Daily News	94,25	94,25	94,25	94,25
Emlaksimum	98,41	98,41	98,41	98,41
Hürriyet Zweigniederlassung	100,00	100,00	100,00	100,00
Hürriyet Invest	100,00	100,00	100,00	100,00
TME	67,30	67,30	67,30	67,30
Oglasnik d.o.o.	100,00	100,00	67,30	67,30
Oglasnik Nekretnine d.o.o.	100,00	100,00	67,30	67,30
TCM Adria d.o.o.	100,00	100,00	67,30	67,30
Internet Posao d.o.o.	100,00	100,00	47,11	47,11
TME Teknoloji Proje Geliştirme ve Yazılım Anonim Şirketi	100,00	100,00	67,30	67,30
Expressz Magyarorszag Rt (*)	100,00	100,00	67,30	67,30
Szuperinfo Magyarorszag Kft	100,00	100,00	67,30	67,30
International Ssuarts Holding B.V.	100,00	100,00	67,30	67,30
Mirabridge International B.V.	100,00	100,00	67,30	67,30
Trader Classified Media Croatia Holdings B.V.	100,00	100,00	67,30	67,30
Trader East Holdings B.V.	100,00	100,00	67,30	67,30
Pronto Invest B.V.	100,00	100,00	67,30	67,30
Siodemka Sp. Z.o.o.	100,00	100,00	67,30	67,30
Ssuarts Holding GmbH	100,00	100,00	67,30	67,30
ZAO Pronto Akzhol	80,00	80,00	53,84	53,84
OOO Pronto-Akmola	100,00	100,00	67,30	67,30
OOO Pronto Atyrau	100,00	100,00	53,84	53,84
OOO Pronto Aktobe	80,00	80,00	43,07	43,07
OOO Pronto Aktau	100,00	100,00	53,84	53,84
Informatsia Vilniusa	100,00	100,00	67,30	67,30
OOO Pronto Rostov	100,00	100,00	67,30	67,30
ZAO Avtotehsnab	85,00	85,00	57,21	57,21
OOO Novoprint	100,00	100,00	67,30	67,30
ZAO NPK	100,00	100,00	67,30	67,30
OOO Balt-Pronto Kaliningrad	100,00	100,00	67,30	67,30
OOO Delta-M	55,00	55,00	37,02	37,02
OOO Gratis	90,00	90,00	60,57	60,57
OOO Pronto Baikal	100,00	100,00	67,30	67,30
OOO Pronto DV	100,00	100,00	67,30	67,30
OOO Pronto Ivanovo	86,00	86,00	57,88	57,88
OOO Pronto Kaliningrad	95,00	95,00	63,94	63,94
OOO Pronto Kazan	72,00	72,00	48,46	48,46
OOO Pronto Krasnodar	80,00	80,00	53,84	53,84
OOO Pronto Krasnojarsk	100,00	100,00	67,30	67,30
OOO Pronto Nizhnij Novgorod	90,00	90,00	60,57	60,57
OOO Pronto Novosibirsk	100,00	100,00	67,30	67,30
OOO Pronto Oka	100,00	100,00	67,30	67,30

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

2.1.3 Consolidation principles (Continued)

(a) Subsidiaries (Continued)

	Proportion of voting power held by Hürriyet and its subsidiaries (%)		Effective ownership interests (%)	
	30 June 2009	31 December 2008	30 June 2009	31 December 2008
OOO Pronto Petersburg	51,00	51,00	34,32	34,32
OOO Pronto Print	54,00	54,00	36,34	36,34
OOO Pronto Samara	89,90	89,90	60,50	60,50
OOO Pronto Stavropol	100,00	100,00	67,30	67,30
OOO Pronto UlanUde	90,00	90,00	60,57	60,57
OOO Pronto Vladivostok	90,00	90,00	60,57	60,57
OOO Pronto Volgograd	100,00	100,00	67,30	67,30
OOO Pronto Moscow	100,00	100,00	67,30	67,30
OOO Rosprint	70,00	70,00	47,11	47,11
OOO Rosprint Samara	59,50	59,50	40,04	40,04
OOO Tambukan	85,00	85,00	57,21	57,21
OOO Utro Peterburga	55,00	55,00	37,02	37,02
OOO Partner-Soft	100,00	100,00	67,30	67,30
Pronto Soft	90,00	90,00	60,57	60,57
OOO Pronto Astrakhan	100,00	100,00	67,30	67,30
OOO Pronto Kemerovo	100,00	100,00	67,30	67,30
OOO Pronto Sever	90,00	90,00	60,57	60,57
OOO Pronto Smolensk	100,00	100,00	67,30	67,30
OOO Pronto Tula	100,00	100,00	67,30	67,30
OOO Pronto TV	70,00	70,00	47,11	47,11
OOO Pronto Voronezh	100,00	100,00	67,30	67,30
SP Belpronto OOO	60,00	60,00	40,38	40,38
OOO Tambov-Info	100,00	100,00	67,30	67,30
Impress Media Marketing LLC	100,00	100,00	67,30	67,30
OOO Pronto Obninsk	100,00	100,00	67,30	67,30
OOO Pronto Komi	70,00	70,00	47,11	47,11
OOO Rektcentr	100,00	100,00	67,30	67,30
Impress Media Marketing BVI	100,00	100,00	67,30	67,30
SP Pronto Kiev	50,00	50,00	33,65	33,65
Ssuarts Trading Ltd	55,00	55,00	37,02	37,02
E-Prostir	50,00	50,00	33,65	33,65
Publishing House Pennsylvania Inc	100,00	100,00	67,30	67,30
OOO Optoprint	100,00	100,00	67,30	67,30
RU.com OOO	100,00	100,00	67,30	67,30
SP Bel Pronto OOO BYR	60,00	60,00	40,38	40,38
Moje Delo, spletni marketing, d.o.o	100,00	100,00	67,30	67,30
Bolji Posao d.o.o. Serbia	100,00	100,00	37,02	37,02
Bolji Posao d.o.o. Bosnia	100,00	100,00	37,02	37,02

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

2.1.3 Consolidation principles (Continued)

(b) Investments in associated undertakings

Investments in associated undertakings are consolidated by the equity method of accounting. These are undertakings over which the Group generally has between 20% and 50% of the voting rights, or over which the Group has significant influence, but no controlling power. Unrealised gains on transactions between the Group and its associated undertakings are eliminated to the extent of the Group's interest in the associated undertakings; unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Net increases or decreases in the net assets of Associates are included in the consolidated financial statements in regards with the Group's share and classified under "Share of loss of investments accounted for by the equity method".

Equity accounting is discontinued when the carrying amount of the investment in an associated undertaking reaches zero, unless the Group has incurred obligations or guaranteed obligations in respect of the associated undertaking or significant influence of the Company ceases. The carrying amount of the investment at the date when significant influence ceases is regarded as cost thereafter.

The Associates and the proportion of ownership interests at 30 June 2009 and 31 December 2008 are as follows:

Name	30 June 2009 Direct and indirect control by Hürriyet and its Subsidiaries (%)	31 December 2008 Direct and indirect control by Hürriyet and its Subsidiaries (%)
Doğan Media International GmbH ("Doğan Media")	42,42	42,42
Yaysat Yayın Satış Pazarlama ve Dağıtım A.Ş. ("Yaysat")	25,00	25,00
DYG İlan ve Reklam Hizmetleri A.Ş. ("DYG İlan")	20,00	20,00

(c) Financial assets at fair value through profit and loss

Financial assets at fair value through profit and loss in which the Group has controlling interests below 20%, or above 20% over which the Company does not exercise a significant influence, or which are immaterial and that do not have quoted market price in active markets and whose fair values cannot be measured reliably, are carried at cost less any provision for diminution in value and for the periods which inflation accounting is applied are carried at cost and restated to the equivalent purchasing power at the balance sheet date less any provision for diminution in value (Note 6).

(d) Minority interest

The minority shareholders' share in the net assets and results for the period of Subsidiaries are separately classified in the consolidated balance sheets and statements of income as minority interest.

The losses applicable to the minority in a consolidated subsidiary may exceed the minority interest in the equity of the subsidiary. The excess, and any further losses applicable to the minority, are charged against the majority interest except to the extent that the minority has a binding obligation to, and is able to make good the losses. If the subsidiary subsequently reports profits, the majority interest is allocated all such profits until the minority's share of losses previously absorbed by the majority has been recovered.

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

2.1.4 Offsetting

All items, significant in terms of content and amount, are stated separately in the consolidated financial statements even if they bear the same characteristics. Insignificant amounts or items displaying similar characteristics are stated collectively. As a consequence, situations that arise due to the content of transactions and events make offsetting necessary, as the stating of the transaction or event over the net values or recognizing assets after the deduction for impairment, is not regarded as a violation of the rule of non-offsetting. Income obtained, other than revenue, defined under the title "Proceeds" as a result of the Group's transactions realized within the normal course of business, is accounted for over the net values, provided that they are related to the essence of the transaction or event.

2.1.5 Comparatives

In order to enable the determination of the consolidated financial position and performance trends, the Group's consolidated financial statements have been presented comparatively with the prior period. The Group presented the balance sheet as of 30 June 2009 comparatively with the balance sheet as of 31 December 2008 and presented the statement of income, statement of cash flows and statement of change in equity for the period 1 January- 30 June 2009 comparatively with the prior period 1 January- 30 June 2008.

Sales: The sales premiums paid to advertisement agencies amounting TL 3.353.377 which were presented as "Marketing, selling and distribution expenses" in the comparative consolidated statement of income for the six-month period ended 30 June 2008 have been reclassified to "Sales" in the current period.

The Group has stopped the presentation of one of its Subsidiary incorporated in Hungary, Kisokos Directory Kereskedelmi es Szolgáto Kft. ("Kisokos") as discontinued operations in accordance with the decision take on 30 June 2008. Discontinued operations which were presented as an item on the face of financial statements as " non-current assets held for sale", "liabilities related to non-current assets held for sale" and " net discontinued operations loss after tax " at 30 June 2008 have been reclassified and restated in order to be consistent with the current period.

2.1.6 Amendments and interpretations to existing standards

a) Amendments and interpretations that are effective from the year 2009 and relevant to the Group's financial statements:

- IAS 1, "Presentation of financial statements" Significant changes in comprehensive income statements IAS 1 (Revised), 'Presentation of financial statements' (effective from 1 January 2009). The revised standard will prohibit the presentation of items of income and expenses (that is, 'non-owner changes in equity') in the statement of changes in equity, requiring 'non-owner changes in equity' to be presented separately from owner changes in equity. All non-owner changes in equity will be required to be shown in a performance statement, but entities can choose whether to present one performance statement (the statement of comprehensive income) or two statements (the income statement and statement of comprehensive income). Where entities restate or reclassify comparative information, they will be required to present a restated balance sheet as at the beginning comparative period in addition to the current requirement to present balance sheets at the end of the current period and comparative period. Accordingly, the Group has presented comprehensive income statements for the six-month periods ended 30 June 2009 and 2008.

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

2.1.6 Amendments and interpretations to existing standards (Continued)

- IAS 23 (Amendment), ‘Borrowing costs’ (effective from 1 January 2009). The amendment requires an entity to capitalise borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset (one that takes a substantial period of time to get ready for use or sale) as part of the cost of that asset. The option of immediately expensing those borrowing costs will be removed. The group will apply IAS 23 (Amendment) retrospectively from 1 January 2009 but is not applicable to the group as there are no qualifying assets. IFRS 8, “Operating segments” in 2008.
- IFRS 8, ‘Operating segments’ (effective from 1 January 2009). IFRS 8 replaces IAS 14, ‘Segment reporting’, and aligns segment reporting with the requirements of the US standard SFAS 131, ‘Disclosures about segments of an enterprise and related information’. The new standard requires a ‘management approach’, under which segment information is presented on the same basis as that used for internal reporting purposes.

b) Amendments and interpretations that are effective from the year 2009 but not relevant to the Group’s financial statements:

- i) Amendments and interpretations which are mandatory for the accounting periods beginning on or after 1 January 2009
 - IAS 32, “Financial instruments: Presentation” Change in the disclosure of puttable financial instruments and obligations arising on liquidation
 - IAS 39 “Financial instruments: Recognition and measurement” Changes in hedging instruments
 - IFRS 1, (Amendment), “First-time adoption of International Financial Reporting Standards” Change in cost of investment in the first time adoption of IFRSs
 - IFRS 2, (Amendment), “Share-based payment”
 - IFRIC 15, “Agreements for the construction of real estate”
 - IAS 40, (Amendment), “Investment property”
 - IAS 31, (Amendment), “Interests in joint ventures”
 - IAS 28, (Amendment), “Investments in associates”
- ii) Amendments and interpretations which are mandatory for the accounting periods beginning on or after 1 July 2009:
 - IAS 27 (Amendment), “Consolidated and Separate Financial Statements”
 - IFRS 3 (Amendment), “Business Combinations”
 - IFRS 5 (Amendment), “Non-current Assets Held for Sale and Discontinued Operations”

The Group management does not foresee any material impact of adoption of the aforementioned standards and interpretations on the consolidated financial statements of the Group in the upcoming periods.

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

2.1.6 Amendments and interpretations to existing standards (Continued)

2.2 Summary of significant accounting policies

2.2.1 Related parties

For the purposes of these consolidated financial statements, Doğan Holding and Doğan Yayın, shareholders, key management personnel and Board members, in each case together with their families and companies controlled or affiliated with them are considered and referred to as “Related parties” (Note 32).

2.2.2 Financial assets at fair value through profit and loss

Financial assets at fair value through profit and loss are either acquired for generating a profit from short term fluctuations in price or dealer’s margin, or are securities included in a portfolio in which a pattern of short term profit making exists. Financial assets at fair value through profit and loss are initially recognized at cost of purchase including the transaction costs and subsequently re-measured at fair value. All related realized and unrealized gains and losses are included in the statement of income.

2.2.3 Trade receivables and provision for doubtful receivables

Trade receivables resulted from providing goods or services directly to a debtor are carried at amortized cost. Trade receivables, net of unearned financial income, are measured at amortized cost, using the effective interest rate method, less the unearned financial income. Short-term receivables with no stated interest rate are measured at original invoice amount unless the effect of imputing interest is significant (Note 9)

A credit risk provision for trade receivables is established if there is objective evidence that the Group will not be able to collect all amounts due. The Group also set allowance for the receivables which are overdue for more than one year unless there is no guarantee or special agreement. The recoverable amount is the present value of all cash flows, including amounts recoverable from guarantees and collateral, discounted based on the original effective interest rate of the originated receivables at inception.

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

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

2.2.4 Impairment of assets

IFRS prohibits the amortization of goodwill and intangible assets with indefinite useful lives. Goodwill recognized in a business combination is not amortized; it is tested for impairment annually instead and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. The Group tests goodwill for impairment at year-ends.

The Group reviews all assets except for goodwill at each balance sheet date for any indication of impairment on the stated asset. If there is any indicator of impairment, carrying amount of the stated asset is compared with the net realizable value which is the higher of value in use and fair value less costs to sell. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Impairment exists if the carrying amount of the stated asset or the cash generating unit including the stated asset exceeds its net realizable value. Impairment losses are recognized in consolidated statement of income.

The recoverable amounts of cash generating units have been determined using fair value less costs to sell valuation model. Fair value is measured based on post-tax discounted cash flows based on financial budgets covering a five-year period and estimated EBITDA (budgeted operating profit before interest, tax, depreciation and amortization, impairment charges and other non-recurring operating expenses) has a significant impact on these valuations. Cash flows beyond the five-year period are extrapolated using the EBITDA growth rates and discount rates stated below.

	EBITDA growth rate (%) (*)	Discount rate (%)
Russia and Commonwealth of Independent States	3,90	14,3
Hungary	2,36	12,6
Croatia	2,17	13,2
Eastern Europe	1,75	11,6

(*) Weighted average EBITDA growth rates used to extrapolate cash flows beyond the budget period.

2.2.5 Inventories

Inventories are valued at the lower of cost or estimated selling price less estimated costs necessary to make the sale. Cost elements included in inventories are materials, labour and an appropriate amount for production overheads. The cost of inventories is determined on the weighted average basis (Note 11).

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

2.2.6 Investment properties

Land and buildings that are held to earn rentals and/or for capital appreciation or both rather than for use in the production or supply of goods or services or for administrative purposes or sale in the ordinary course of business are classified as investment property and are carried at cost less accumulated depreciation (except land) under the cost method less impairment charges, if any. Depreciation of investment properties (except land) is provided using a straight-line basis. The depreciation periods for investment property, which approximate the economic useful lives of such assets, are determined as 50 years (Note 13).

Investment properties are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the carrying amount of the asset exceeds its recoverable amount, which is the higher of asset net selling price or value in use. Investment properties are evaluated for any impairment and if carrying value of the investment property is higher than net recoverable amount, provision for impairment is established for the difference between the carrying and recoverable amount. Impairment is recorded to income statement at the same period.

2.2.7 Property, plant and equipment and depreciation

Property, plant and equipment are carried at cost less accumulated depreciation. Depreciation is provided using the straight-line method based on the estimated useful lives of the assets (Note 14). The depreciation periods for property and equipment, which approximate the economic useful lives of assets concerned, are as follows:

Buildings	25-50 years
Machinery and equipment	3-15 years
Furniture and fixtures	3-15 years
Motor vehicles	5 years
Leasehold improvements	2-20 years

Property, plant and equipment are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the carrying amount of the asset exceeds its recoverable amount, which is the higher of fair value less costs to sell or value in use. Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount. Impairment losses are recognized in the consolidated statement of income of the same year.

Gains or losses on disposals of property, plant and equipment are included in the other income/(expense) accounts, as appropriate.

Repair and maintenance expenses are charged to the statement of income as they are incurred. Repair and maintenance expenses are capitalized if they result in an enlargement or substantial improvement of the respective assets (Note 14).

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

2.2.8 Financial leases

Assets acquired under finance lease agreements are capitalised at the inception of the lease at fair value of the leased asset or at present value of the lease payment, whichever is the lower, less accumulated depreciation. Minimum lease payments are treated as comprising capital and interest elements.

Lease payments are apportioned between the finance charges and capital redemption so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly against income. Capitalized leased assets are depreciated over the estimated useful life of the asset.

2.2.9 Goodwill and amortisation

Goodwill and negative goodwill which represents the excess of the cost of an acquisition over the fair value of the group’s share of the net identifiable assets of the acquired subsidiary/associate at the date of acquisition in the consolidated financial statements, are capitalized and amortized using the straight-line method over the useful life until 31 December 2004, for the acquisitions before 31 March 2004. Within the framework of IFRS 3 - “Business Combinations” amortization accounting is not applied for goodwill related to acquisitions after 31 March 2004, and the carrying value of goodwill is reviewed and adjusted for permanent impairment where it is considered necessary. The carrying amount of negative goodwill related to the acquisition after 31 March 2004 is reviewed and accounted for as income in the related period. In accordance with IFRS 3, goodwill associated with transactions before 31 March 2004 is not amortized starting from the beginning of the first annual period beginning on or after 31 March 2004 (1 January 2005) and are reviewed for impairment annually at year-ends (Note 16 and 2.2.27).

2.2.10 Intangible assets and amortization

Intangible assets excluding goodwill comprise trade names, customer lists, computer software and rights, internet domain names and other intangible assets. All trade names, customer lists and internet domain names have been identified as a result of independent valuations performed for the purchase price allocation related with the business combinations. Useful lives of certain trade names are determined to be indefinite. Assets that have an indefinite useful life are not subject to amortization and tested annually for impairment as goodwill. Estimated useful lives of the intangible assets with finite useful lives are as follows:

Trade names	20 years
Customer lists	9 and 18 years
Computer software and rights	5 years
Domain names	20 years
Other intangible assets	5 years

Computer software and rights and other intangible assets are carried at their acquisition cost and amortized using the straight-line method over their estimated useful lives (Note 15).

Intangible assets with finite useful lives are evaluated for impairment losses when events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the carrying amount of the asset exceeds its recoverable amount. Impairment losses are recognized immediately in the statement of income.

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

2.2.11 Critical accounting estimates and judgements

Preparation of financial statements requires the use of estimates and assumptions that may affect the amount of assets and liabilities recognized as of the balance sheet date, contingent assets and liabilities disclosed and the amount of revenue and expenses reported. Although, these estimates and assumptions rely on the Company management's best knowledge about current events and transactions, actual outcomes may vary from those estimates and assumptions. The critical accounting estimates which may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities in the following financial reporting periods are as follows.

Useful lives of intangible assets

Group estimates the useful lives of some trade names as indefinite as described in Note 2.2.10. If these intangible assets' useful lives are finite (in case of useful lives of 20 years), their amortization would have increased by TL 6.977.137 (30 June 2008: TL 7.219.796) and income before tax and minority interests would have decreased by TL 6.977.137 (30 June 2008: TL 7.219.796).

Group amortizes trade names, customer lists and domain names with definite useful lives over the useful lives specified in Note 2.2.10.

If the useful lives of trade names, customer lists and domain names differ from the management's estimates by 10%, the effects on the financial statements would be as follows:

- Had the useful lives been higher by 10%, amortization charges would have decreased by TL 649.967 and income before tax and minority interests would have increased by TL 649.967 (30 June 2008: TL 854.434) or
- Had the useful lives been lower by 10%, amortization charges would have increased by TL 794.404 and income before tax and minority interests would have decreased by TL 794.404 (30 June 2008: TL 1.044.308).

Impairment of assets

If the estimated post-tax discount rate applied to the discounted cash flows for the cost generating unit in Hungary had been 1% higher than management's estimates, the Group would have recognised a further impairment against intangible assets by TL 4.097.545 and loss before tax and minority interests would have increased by TL 4.097.545.

2.2.12 Taxation on income

Taxation on income includes current period income taxes and deferred taxes. Current year tax liability consists of tax liability on period income calculated according to currently enacted tax rates and tax legislation in force as of balance sheet date and includes adjustments related to previous years' tax liabilities.

Deferred income tax is provided in full, using the liability method, on all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes. Currently enacted tax rates are used to determine deferred income tax.

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

2.2.12 Taxation on income (Continued)

In substance, temporary differences arise from the differences in the periods of the recognition of income and expenses in accordance with the accounting policies described in Note 2.1.1 and tax legislation.

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

Deferred tax assets and deferred tax liabilities related to income taxes levied by the same taxation authority are offset accordingly.

2.2.13 Borrowings

Bank borrowings are recognised initially at proceeds received, net of transaction costs incurred. Bank borrowings are subsequently stated at amortised cost using the effective yield method in the consolidated financial statements. Any difference between the proceeds (excluding transaction charges) and redemption value is recognised in the consolidated statement of income over the period of the borrowings (Note 7).

2.2.14 Employment termination benefits

The Group is required to pay termination benefits to employees who is retired, whose employment is terminated without due causes in Labour Law, in accordance with the Law related with The Arrangement of the Relationships within the Employees in Press Sector (employees in media sector) and other laws .The provision for employment termination benefits, as required by Turkish Labour Law, is recognised in these financial statements as the benefits are earned. The total provision represents the present value of future probable obligation of the Group arising from the retirement of its employees regarding the actuarial projections (Note 20).

2.2.15 Provisions

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

2.2.16 Share capital and dividends

Ordinary shares are classified as equity. Dividends on ordinary shares are recognised in equity in the period in which they are declared. Dividend receivables are accounted for income at the date of dividend collection is eligible.

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2.2.17 Foreign currency transactions and translation

Functional currency

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

Foreign currency transactions and balances

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

Foreign Group companies

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

A significant portion of the Group's foreign operations are performed in Russia, Europe and Eastern Europe countries (Note 4). Foreign currencies and exchange rates at 30 June 2009 and 31 December 2008 are summarized below:

Country	Currency	30 June 2009	31 December 2008
Eurozone	Euro	2,1469	2,1408
Russia	Ruble	0,0494	0,0516
Hungary	Forint	0,0079	0,0080
Croatia	Kuna	0,2972	0,2927
Ukraine	Grivna	0,2008	0,2011
Romania	New Ley	0,5149	0,5346

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

2.2.18 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities. Revenue is shown net of rebates, returns and commissions after eliminating sales within the group.

Revenue initially accounted for with respect to the fair value of the amount receivable or received when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the entity. When the arrangement effectively constitutes a financing transaction, the fair value of the consideration is determined by discounting all future receipts using an imputed rate of interest. The interest rate used in discounting, is the interest rate to discount nominal amount of the receivable to the amortised cost of the related goods or services given. The difference between the fair value and the nominal amount of the consideration is recognised as interest income on a time proportion basis that takes into account the effective yield on the asset.

Revenues from advertisement:

Revenues from advertisement are recognized on an accrual basis at the time of publishing the advertisement in the related media at the invoiced values. Unpublished part of the advertisement is recorded as deferred revenue in balance sheet.

Revenues from newspaper sale:

Revenues from newspaper sale are recognized on an accrual basis at the time of delivery of the newspapers by the distribution company to the vendor at the invoiced values.

Revenues from printing services:

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

Newspaper sales returns:

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

Interest income:

Interest income is recognised on accruals basis in accordance with effective interest yield method.

Rental income:

Rental income is recognised on an accrual basis.

Other income:

Other income is recognised on an accrual basis.

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

2.2.19 Barter agreements

When goods or services are exchanged or swapped for goods or services, which are of a similar nature and value, the exchange is not regarded as a transaction that generates revenue. When goods are sold or services are rendered in exchange for dissimilar goods or services, the exchange is regarded as a transaction that generates revenue. The revenue is measured at the fair value of the goods or services received, adjusted by the amount of any cash or cash equivalents transferred. If the fair value of goods or services received cannot be reliably measured, the revenue is measured at the fair value of goods or services given up by the entity, again adjusted for any cash or cash equivalents received or paid (Note 19).

2.2.20 Loss / earnings per share

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

In Turkey, companies can increase their share capital by making a pro-rata distribution of shares "bonus shares" to existing shareholders from retained earnings (Note 22). For the purpose of earnings per share computations, such bonus shares issuances are regarded as issued shares. Accordingly the weighted average number of shares used in earnings per share computations is derived by considering the retrospective effects of the issuances of the shares (Note 31).

In case of dividend payment, earning per share is determined on existing number of shares rather than the weighted average numbers of shares.

2.2.21 Cash and cash equivalents

Cash and cash equivalents include cash on hand, bank deposits and easily convertible short-term, highly liquid investments with maturity periods of 3 months or less (Note 5).

2.2.22 Subsequent events

Subsequent events and announcements related to net income or even declared after other selective financial information has been publicly announced, include all events that take place between the balance sheet date and the date when the balance sheet is authorized for issue.

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

2.2.23 Reporting of cash flows

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

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

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

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

Cash and cash equivalents include cash and bank deposits and the investments that are readily convertible into cash and highly liquid with 3 months or less to maturity (Note 5).

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

2.2.24 Accounting for put options

Under the certain terms of acquisition agreements, the Group is committed to acquire the interests owned by minority shareholders in consolidated subsidiaries, if these minority interests wish to sell their share of interests.

As it is highly probable that the Group will fulfill this obligation, IAS 32, “Financial Instruments: Disclosure and Presentation”, requires the value of such put option to be presented as a financial liability on the balance sheet for the discounted value of the expected exercise price of this option, notwithstanding the ability of the Company to settle part of these obligations with its own shares rather than cash. Furthermore, the share of minority shareholders in the net asset of the company subject to the put option must be reclassified from “minority interest” to “other financial liabilities” in the consolidated balance sheet. The Group recognizes, on initial recognition, the difference between the exercise price of the option and the carrying value of the minority interests as a reduction of minority interest and then as additional goodwill. The subsequent unwinding of the discount is recognised in financial expense while the change in the value of the commitment is recorded through goodwill (Note 16).

2.2.25 Assets held for sale and discontinued operations

Discontinued operations are the part of the Group which either are classified as held-for-sale or have been disposed of and whose activities and cash flows can be treated as separable from the Group’s activities and cash flows. Discontinued operations represent separate business or geographical segments, which are part of a plan to sell or dispose, or is a subsidiary acquired for selling. The Group measures discontinued operations, with the lower of the carrying amounts of the related assets and liabilities of the discontinued operations or the fair values less costs to sell (Note 29).

2.2.26 Web page development costs

The direct costs incurred in the development of its websites are capitalised and recognised over the estimated useful lives (Note 15). The costs incurred that relate to the planning and post implementation phases are expensed. Repair and maintenance costs associated with websites are included in operating expenses.

2.2.27 Business combinations

Business combinations are accounted in accordance with IFRS 3 “Business Combinations”. Goodwill represents the excess of the cost of an acquisition over the fair value of the group’s share of the net identifiable assets of the acquired subsidiary/associate at the date of acquisition. The fair value differences of the net assets of the Group’s share, net of deferred tax, are initially accounted as fair value reserve in equity. Goodwill recognised in a business combination is not amortised, it is tested for impairment annually instead and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Group tests goodwill for impairment at year-ends.

If the cost of acquisition is less than the fair value of the identifiable assets, liabilities and contingent liabilities acquired, the difference is recognised directly in the statement of income (Note 3).

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

2.2.28 Segment reporting

The chief operating decision-maker has been identified as the strategic steering committee. This committee reviews the group's internal reporting in order to assess performance and allocate resources. Management has determined the geographical segments based on these reports.

2.2.29 Derivative financial instruments

Derivative financial instruments, predominantly foreign currency interest swap agreements and foreign currency agreements are initially recognised at their historical costs plus the transaction costs. Derivative financial instruments are subsequently remeasured at their fair value. All derivative financial instruments are classified as financial assets carried at fair value through profit or loss. Fair value of derivative financial instruments is measured by using its market value or by applying discounted cash flows method. The fair value of the over-the-counter forward exchange transactions, are determined by comparing the forward exchange rate as of 30 June 2009 with the original forward exchange rate for the related currency which was calculated over the valid market interest rates. Derivative financial instruments are classified as assets or liabilities in accordance with their fair values to be positive or negative.

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

Certain derivative transactions, while providing effective economic hedges under the risk management position, do not qualify for hedge accounting under the specific rules under IAS 39 and are therefore treated as derivatives at fair value through profit or loss and their fair value gains and losses are included in the statement of income.

Profit or loss included in the forward agreements have been calculated by comparing the spot exchange rate calculated at the balance sheet date with the original exchange rate obtained by using the spot exchange rate at the start date of the agreement (Direct method has been applied for calculating the original exchange rate). Gains and losses occurred in hedging swap transaction is recognized same as the profits and losses incurred from the hedging instrument transactions. Gains and losses incurred in interest rate transactions have been recorded as interest income or expenses.

NOTE 3 - BUSINESS COMBINATIONS

There are no significant business combinations as at 30 June 2009 and 2008 and for the six-month interim periods ended.

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NOTE 4 - SEGMENT REPORTING

a) Segmental analysis for the six-month interim period between 1 January - 30 June 2009:

	Turkey	Russia and EE	Europe	Total
Sales	250.119.277	100.981.991	35.141.485	386.242.753
Cost of sales	(176.663.009)	(50.055.248)	(25.096.570)	(251.814.827)
Gross operating profit	73.456.268	50.926.743	10.044.915	134.427.926
Marketing, selling and distribution expenses	(27.339.570)	(5.835.705)	(3.430.915)	(36.606.190)
Losses from investments accounted for by equity method	(4.336.477)	-	-	(4.336.477)
Net segment result	41.780.221	45.091.038	6.614.000	93.485.259
General administrative expenses (-)				(74.480.539)
Other operating income				2.338.677
Other operating expenses				(25.366.535)
Financial income				100.753.622
Financial expense (-)				(112.036.383)
Operating loss before tax from continued operations				(15.305.899)
Tax expenses for the period				(3.155.420)
Deferred tax				(2.362.933)
Net loss for the period from continued operations				(20.824.252)

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NOTE 4 - SEGMENT REPORTING (Continued)

b) Segmental analysis for the interim period between 1 April - 30 June 2009:

	Turkey	Russia and EE	Europe	Total
Sales	141.342.628	53.528.323	17.355.057	212.226.008
Cost of sales	(89.359.450)	(26.848.034)	(12.749.306)	(128.956.790)
Gross operating profit	51.983.178	26.680.289	4.605.751	83.269.218
Marketing, selling and distribution expenses	(15.492.778)	(3.101.763)	(1.666.090)	(20.260.631)
Losses from investments accounted for by equity method	(1.033.878)	-	-	(1.033.878)
Net segment result	35.456.522	23.578.526	2.939.661	61.974.709
General administrative expenses (-)				(38.934.799)
Other operating income				454.787
Other operating expense				(22.633.241)
Financial income				62.573.255
Financial expense (-)				(11.336.890)
Operating income before tax from continued operations				52.097.821
Tax expenses for the period				(1.839.796)
Deferred tax				(12.923.761)
Net income for the period from continued operations				37.334.264

c) Segmental analysis for the six-month interim period between 1 January - 30 June 2008:

	Turkey	Russia and EE	Europe	Total
Sales	303.115.988	157.480.103	45.799.624	506.395.715
Cost of sales	(181.625.525)	(75.775.192)	(29.540.722)	(286.941.439)
Gross operating profit	121.490.463	81.704.911	16.258.902	219.454.276
Marketing, selling and distribution expenses	(46.343.882)	(11.272.504)	(6.612.727)	(64.229.113)
Losses from investments accounted for by equity method	(3.717.585)	-	-	(3.717.585)
Net segment result	71.428.996	70.432.407	9.646.175	151.507.578
General administrative expenses (-)				(86.018.750)
Other operating income				3.303.551
Other operating expense				(3.065.679)
Financial income				63.058.281
Financial expense (-)				(102.239.532)
Operating income before tax from continued operations				26.545.449
Tax expenses for the period				(19.356.025)
Deferred tax				1.944.514
Net income for the period from continued operations				9.133.938

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NOTE 4 - SEGMENT REPORTING (Continued)

d) Segmental analysis for the period between 1 April - 30 June 2008:

	Turkey	Russia and EE	Europe	Total
Sales	171.992.502	89.016.253	25.040.851	286.049.606
Cost of sales	(97.169.556)	(42.854.441)	(16.959.598)	(156.983.595)
Gross operating profit	74.822.946	46.161.812	8.081.253	129.066.011
Marketing, selling and distribution expenses	(26.084.013)	(6.576.021)	(4.424.691)	(37.084.725)
Losses from investments accounted for by equity method	(949.612)	-	-	(949.612)
Net segment result	47.789.321	39.585.791	3.656.562	91.031.674
General administrative expenses (-)				(46.167.131)
Other operating income				1.855.782
Other operating expense				(1.450.914)
Financial income				35.152.527
Financial expense (-)				(19.100.568)
Operating income before tax from continued operations				61.321.370
Tax expenses for the period				(11.004.356)
Deferred tax				(6.166.430)
Net income for the period from continued operations				44.150.584

c) Segment assets

	30 June 2009	31 December 2008
Turkey	876.658.276	959.466.845
Russia and EE	729.222.447	762.622.969
Europe	227.090.330	279.831.253
	1.832.971.053	2.001.921.067
Unallocated assets	21.231.216	42.112.287
Investments accounted for by the equity method	8.624.414	316.468
Total assets per consolidated financial statements	1.862.826.683	2.044.349.822

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NOTE 4 - SEGMENT REPORTING (Continued)

d) Segment liabilities

	30 June 2009	31 December 2008
Turkey	32.853.412	37.021.622
Russia and EE	25.157.885	23.869.382
Europe	31.138.153	30.617.363
	89.149.450	91.508.367
Unallocated liabilities	927.078.312	1.066.642.312
Total liabilities per consolidated financial statements	1.016.227.762	1.158.150.679

e) Depreciation and amortisation charges and capital expenditures

Capital expenditures (excluding business combinations):

	2009		2008	
	1 January- 30 June	1 April- 30 June	1 January- 30 June	1 April- 30 June
Turkey	33.355.047	9.656.074	19.998.073	6.795.089
Russia and EE	2.312.419	1.530.952	2.765.579	2.006.763
Europe	1.494.181	831.964	3.316.713	1.543.885
	37.161.647	12.018.990	26.080.365	10.345.737

Depreciation and amortisation charges:

	2009		2008	
	1 January- 30 June	1 April- 30 June	1 January- 30 June	1 April- 30 June
Turkey	23.683.771	12.001.849	23.649.699	9.938.618
Russia and EE	12.536.361	6.175.383	10.491.380	7.192.830
Europe	6.919.181	3.460.066	4.816.164	2.773.624
	43.139.313	21.637.298	38.957.243	19.905.072

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NOTE 4 - SEGMENT REPORTING (Continued)

f) Non-cash expenses:

	30 June 2009			
	Turkey	Russia and EE	Europe	Total
Provision for tax penalty (Note 18)	15.209.000	-	-	15.209.000
Interest expense accruals	6.698.936	1.200.192	96.423	7.995.551
Provision for doubtful receivables (Note 9)	1.705.228	1.931.677	2.370.797	6.007.702
Provision for employment termination benefits and unused vacation rights	2.829.122	-	-	2.829.122
Provision for financial assets	159.282	-	-	159.282
Provision for lawsuits (Note 18)	124.849	-	-	124.849
	26.726.417	3.131.869	2.467.220	32.325.506

	30 June 2008			
	Turkey	Russia and EE	Europe	Total
Provision for employment termination benefits and unused vacation rights	3.886.607	-	-	3.886.607
Interest expense accruals	4.648.748	110.113	162.500	4.921.361
Provision for doubtful receivables (Note 9)	1.125.387	341.902	648.107	2.115.396
Provision for lawsuits (Note 18)	53.293	-	-	53.293
	9.714.035	452.015	810.607	10.976.657

NOTE 5 - CASH AND CASH EQUIVALENTS

The cash and cash equivalents at 30 June 2009 and 31 December 2008 are as follows:

	30 June 2009	31 December 2008
Cash	1.472.496	994.054
Banks		
- demand deposits	26.204.291	20.827.847
- time deposits	234.525.868	348.438.613
- blocked deposits	239.064	65.451
	262.441.719	370.325.965

The Group has blocked deposits amounting to TL 239.064 (31 December 2008: TL 65.451).

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NOTE 5 - CASH AND CASH EQUIVALENTS (Continued)

Cash and cash equivalents included in the consolidated statements of cash flow at 30 June 2009 and 2008 are as follows:

	30 June 2009	31 December 2008	30 June 2008	31 December 2007
Cash and banks	262.441.719	370.325.965	229.473.667	137.938.512
Less: Blocked deposits	(239.064)	(65.451)	(45.473)	(49.920)
Less: Interest accruals	(796.519)	(2.041.423)	(472.655)	(534.872)
Total	261.406.136	368.219.091	228.955.539	137.353.720

The maturity analysis of time deposits including the blocked time deposits is as follows:

	30 June 2009	31 December 2008
0-1 month	193.379.411	348.477.992
1-3 months	41.375.434	-
	234.754.845	348.477.992

There are no time deposits with variable interest rates at 30 June 2009 and 31 December 2008. The effective interest rate for TL is 11,8% (31 December 2008: 21,4%). The effective interest rates of foreign currency denominated time deposits are 3,8% for USD and 4,0% for Euro (31 December 2008: USD: 6,3%, Euro: 6,8%).

NOTE 6 - FINANCIAL ASSETS

The details of financial assets at fair value through profit and loss at 30 June 2009 and 31 December 2008 are as follows:

	30 June 2009	31 December 2008
Treasury bills and government bonds	18.655.775	-
	18.655.775	-

As of 30 June 2009, Government bonds and treasury bills are USD denominated and effective interest rate is 3,75%. (31 December 2008: None).

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NOTE 6 - FINANCIAL ASSETS (Continued)

The details of long-term financial assets at 30 June 2009 and 31 December 2008 are as follows:

	Share %	30 June 2009	Share %	31 December 2008
Doğan Havacılık Sanayi ve Ticaret A.Ş. ("Doğan Havacılık")	9,0	4.513.093	9,0	4.513.093
Doğan Factoring Hizmetleri A.Ş. ("Doğan Factoring")	5,0	736.422	5,0	736.422
Doğan Dış Ticaret ve Mümessillik A.Ş. ("Doğan Dış Ticaret")	2,0	346.038	2,0	346.038
Coats İplik Sanayi A.Ş.	0,5	257.850	0,5	257.850
Hür Servis Sosyal Hizmetler ve Ticaret A.Ş. ("Hürservis")	19,0	169.166	19,0	169.166
Other	-	185.950	-	137.268
		6.208.519		6.159.837
Impairment on Doğan Havacılık		(1.324.042)		(1.164.760)
		4.884.477		4.995.077

NOTE 7 - FINANCIAL LIABILITIES

The details of financial liabilities at 30 June 2009 and 31 December 2008 are as follows:

Short-term financial liabilities:	30 June 2009	31 December 2008
Bank borrowings	183.704.875	244.438.603
Financial liabilities to suppliers	27.477.149	28.530.162
Lease payables	2.768.856	2.692.644
Total	213.950.880	275.661.409
Long-term financial liabilities:	30 June 2009	31 December 2008
Bank borrowings	442.299.845	537.552.557
Financial liabilities to suppliers	88.888.568	86.094.672
Lease payables	2.905.511	4.290.663
Total	534.093.924	627.937.892

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NOTE 7 - FINANCIAL LIABILITIES (Continued)

Bank borrowings:

The details of bank borrowings at 30 June 2009 and 31 December 2008 are as follows:

	Effective interest rate per annum (%)		Original foreign currency		TL	
	30 June 2009	31 December 2008	30 June 2009	31 December 2008	30 June 2009	31 December 2008
Short-term bank borrowings						
- Euro	2,6	4,8	69.103	1.772.924	148.357	3.795.474
- USD	-	5,9	-	1.195.817	-	1.808.434
- CHF	-	5,1	-	320.582	-	458.432
- TL	-	-	-	1.799.088	-	1.799.088
Sub-total					148.357	7.861.428
Short-term portion of long-term bank borrowings						
- USD	2,8	4,5	96.376.240	149.664.115	147.465.284	226.337.042
- Euro	3,5	4,9	14.846.470	2.953.910	31.873.886	6.323.731
- CHF	2,5	5,1	3.003.168	2.738.742	4.217.348	3.916.402
Sub-total					183.556.518	236.577.175
Total short-term bank borrowings					183.704.875	244.438.603
Long-term bank borrowings						
- USD	2,9	4,7	257.652.848	305.472.521	394.234.623	461.966.094
- Euro	3,9	5,3	20.556.559	32.446.832	44.132.876	69.462.178
- CHF	2,6	5,1	2.800.217	4.282.717	3.932.346	6.124.285
Total long-term bank borrowings					442.299.845	537.552.557

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NOTE 7 - FINANCIAL LIABILITIES (Continued)

Bank borrowings (Continued):

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

Year	30 June 2009	31 December 2008
2010 (*)	110.228.052	156.687.824
2011	178.380.073	176.681.512
2012	113.148.330	144.318.584
2013	39.555.816	58.879.869
2014 and over	987.574	984.768
	442.299.845	537.552.557

(*) Year 2010 on redemption schedule of long-term bank borrowings as of 30 June 2009 represents the period between 1 July 2010 - 31 December 2010.

The exposure of the Group's borrowings to interest rate changes and the contractual reprising dates at the balance sheet dates are as follows:

Period	30 June 2009	31 December 2008
Up to 6 months	617.654.271	778.576.974
6-12 months	8.350.449	3.414.186
	626.004.720	781.991.160

Carrying value of the financial liabilities is considered to approximate their fair value since discount effect is not material.

The Group has entered into a credit facility amounting to USD 240.850.000 to finance the acquisition of TME shares. The Group has some covenants related with these bank borrowings.

The Group has to maintain a net debt ratio on the basis of EBITDA identified by the bank for the last 12 months consolidated financial statements.

Furthermore, the Group committed that there will be no business combinations or disposals or sales of assets or liabilities in aggregate which may indicate a change in the control or in the major operations in one of the Group's Subsidiary, TME.

The Group has pledged 33.649.091 unit share certificates which comprise 67,3% of the shares of TME, one of its Subsidiaries, as securities to financial institutions related with the long term bank borrowings (31 December 2008: 33.649.091 unit).

Furthermore, the Group's subsidiary TME has signed a senior credit agreement in 2007 which amounts to a total facility of USD 200.000.000. The Group has drawn USD 144.800.000 of the credit facility in 2007, the remaining part of the credit facility amounted USD 55.200.000 has been drawn in October 2008.

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NOTE 7 - FINANCIAL LIABILITIES (Continued)

Bank borrowings (Continued):

TME shall repay and cancel the credit facility in case of any change in the control of TME or any illegal acts provided that there are mitigation clauses in the credit facility agreement.

Furthermore, if there are disposals or sells in aggregate in excess of the amount of 10% of the TME's consolidated net assets or if there is an equity movement resulting in 10% change in TME's consolidated net assets, TME shall repay and cancel the credit facility.

It has been determined that one of the covenants is under the required limit as defined in the senior credit agreement as per the financial statements of TME as of 30 June 2009. The response of the Syndication Banks is currently expected and the technical analysis is continued in this respect.

The Group's borrowings issued at variable interest amount to TL 618.006.104 at 30 June 2009 (31 December 2008: TL 682.526.838).

Lease payables:

Lease payables at 30 June 2009 and 31 December 2008 are as follows:

	30 June 2009	31 December 2008
Short-term lease payables	2.768.856	2.692.644
Long-term lease payables	2.905.511	4.290.663
	5.674.367	6.983.307

The redemption schedules of long-term lease payables are stated below:

Year	30 June 2009	31 December 2008
2010 (*)	1.295.755	2.687.916
2011	1.579.653	1.572.833
2012	30.103	29.914
2013 and over	-	-
	2.905.511	4.290.663

(*) Year 2010 on redemption schedule of long-term lease payables as of 30 June 2009 represents the period between 1 July 2010 - 31 December 2010.

The effective interest rate for long term lease payables is 6,5% for USD and 5,1% for Euro (31 December 2008: USD: 6,5%, Euro: 5,0%).

Financial liabilities to suppliers:

Short and long-term financial liabilities to suppliers are related with the purchase of machinery and equipment. The effective interest rates of long term financial liabilities to suppliers are 3,7% for USD, 2,9% for Euro and 1,6% for CHF (31 December 2008: USD: 3,4%, Euro: 4,5%, CHF: 3,0%).

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NOTE 7 - FINANCIAL LIABILITIES (Continued)

Financial liabilities to suppliers (Continued):

The redemption schedules of long-term financial liabilities to suppliers are as follows:

Year	30 June 2009	31 December 2008
2010 (*)	12.479.274	21.889.481
2011	24.596.513	21.985.081
2012	24.275.338	21.664.817
2013	21.211.668	18.633.226
2014 and over	6.325.775	1.922.067
	88.888.568	86.094.672

(*) Year 2010 on redemption schedule of long-term financial liabilities to suppliers as of 30 June 2009 represents the period between 1 July 2010 - 31 December 2010.

The Group's long-term financial liabilities to suppliers issued at variable interest rates are amounting to TL 88.888.568 (31 December 2008: TL 86.094.672).

The exposure of the Group's long-term financial liabilities to suppliers to interest rate changes and the contractual reprising dates are as follows:

Period	30 June 2009	31 December 2008
Up to 6 months	114.731.550	113.654.109
6-12 months	1.634.167	970.725
	116.365.717	114.624.834

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

NOTE 8 - OTHER FINANCIAL LIABILITIES

Other financial liabilities at 30 June 2009 and 31 December 2008 are as follows:

	30 June 2009	31 December 2008
Financial liabilities due to put options		
Short-term (Note 19)	12.669.228	13.686.315
Long-term (Note 19)	5.364.531	6.043.151
	18.033.759	19.729.466

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NOTE 9 - TRADE RECEIVABLES AND PAYABLES

Short-term trade receivables net of unearned credit finance income at 30 June 2009 and 31 December 2008 are as follows:

	30 June 2009	31 December 2008
Trade receivables	175.006.113	176.236.809
Cheques and notes receivable	5.685.848	8.682.318
Receivables from credit cards	322.514	312.739
	181.014.475	185.231.866
Less: Unearned credit finance income	(1.376.744)	(1.540.031)
Less: Provision for doubtful receivables	(38.119.879)	(32.659.317)
Short-term trade receivables	141.517.852	151.032.518

Long-term trade receivables net of unearned credit finance income at 30 June 2009 and 31 December 2008 are as follows:

	30 June 2009	31 December 2008
Long-term trade receivables	1.122.073	8.342.790
Less: Unearned credit finance income	(45.564)	(994.495)
Long-term trade receivables	1.076.509	7.348.295

Trade receivables resulting from advertisement and publications, amounting to TL 86.929.513 (31 December 2008: TL 105.416.417) are followed up by Doğan Factoring Hizmetleri A.Ş. ("Doğan Factoring") in accordance with the factoring agreement signed between the Group and Doğan Factoring. The average due date of the Group's trade receivable followed up by Doğan Factoring is between 3 and 4 months (31 December 2008: 3-4 months). The unearned credit finance income related with the receivables followed up by Doğan Factoring is TL 856.770 (31 December 2008: TL 1.879.645) and the effective interest rate is 15% (31 December 2008: 19%).

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NOTE 9 - TRADE RECEIVABLES AND PAYABLES (Continued)

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

	2009	2008
1 January	32.659.317	18.804.427
Additions during the period (Note 26)	6.007.702	2.115.396
Collections during the period	(281.888)	(2.718.324)
Currency translation differences	(265.252)	682.264
30 June	38.119.879	18.883.763

Trade payables at 30 June 2009 and 31 December 2008 are as follows:

	30 June 2009	31 December 2008
Short-term trade payables	37.754.203	38.813.109
Notes payable	1.000	-
	37.755.203	38.813.109

NOTE 10 - OTHER RECEIVABLES AND PAYABLES

Other receivables at 30 June 2009 and 31 December 2008 are as follows:

	30 June 2009	31 December 2008
Receivables from tax authorities (*)	2.218.357	15.975.462
Deposits and guarantees given	348.226	717.634
	2.566.583	16.693.096

(*) Receivables from tax authorities of the Group consist of the receivable as a result of the reconciliation with tax authority (Turkey) as explained in Note 18 and the tax receivable as a result of tax litigation resulted in favour of Pronto Moscow, a subsidiary of the Group, which should be offset against future tax liabilities. The Group has collected its tax receivables in Turkey during the period.

Other long-term receivables at 30 June 2009 and 31 December 2008 are as follows:

	30 June 2009	31 December 2008
Deposits and guarantees given	735.603	300.753
	735.603	300.753

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NOTE 10 - OTHER RECEIVABLES AND PAYABLES (Continued)

Other payables at 30 June 2009 and 31 December 2008 are as follows:

	30 June 2009	31 December 2008
Due to personnel	6.839.999	5.498.759
Taxes and funds payable	6.097.047	5.851.429
Social security withholdings payable	3.154.061	3.026.814
Deposits and guaranties received	995.314	1.191.255
	17.086.421	15.568.257

Other long-term payables at 30 June 2009 and 31 December 2008 are as follows:

	30 June 2009	31 December 2008
Deposits and guarantees received	191.263	189.038
	191.263	189.038

NOTE 11 - INVENTORIES

	30 June 2009	31 December 2008
Raw materials and supplies	15.717.639	18.589.869
Promotion stocks (*)	5.496.768	3.769.347
Semi-finished goods	434.257	386.636
Finished goods and merchandise	488.375	1.184.173
	22.137.039	23.930.025
Impairment on promotion stocks	(479.513)	(479.513)
	21.657.526	23.450.512

(*) Promotion stocks include promotion materials such as books and CDs.

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NOTE 12 - INVESTMENTS ACCOUNTED FOR BY THE EQUITY METHOD

The details of the investments accounted for by the equity method as of 30 June 2009 and 31 December 2008 are as follows:

	Share %	30 June 2009	Share %	31 December 2008
Doğan Media (*)	42,42	8.306.710	42,42	-
Yaysat	25,00	225.906	25,00	224.731
DYG İlan	20,00	91.798	20,00	91.737
		8.624.414		316.468

The summary of Group's share of the financial statements of the investments accounted for by the equity method at 30 June 2009 is as follows:

30 June 2009	Total assets	Total liabilities	Net sales	Net (loss)/income for the period
Doğan Media (*)	30.536.485	22.229.775	29.455.629	(4.337.646)
Yaysat	244.246	18.339	122.275	1.175
DYG İlan	60.088	(31.710)	19.365	(6)
	30.840.818	22.216.404	29.597.269	(4.336.477)

(*) Net loss for the period of Doğan Media mainly stems from the establishment costs of its subsidiary Doğan Media International SA established in Romania.

The summary of Group's share of the financial statements of the investments accounted for by the equity method at 31 December 2008 is as follows:

31 December 2008	Total assets	Total liabilities	Net sales (*)	Net (loss)/income for the period (*)
Doğan Media	28.644.684	28.663.897	29.210.173	(3.910.535)
Yaysat	405.904	181.173	399.075	195.213
DYG İlan	100.165	8.428	38.453	(2.263)
	29.150.753	28.853.498	29.647.701	(3.717.585)

(*) Represents net loss and net sales for the six-month period ended as of 30 June 2008.

The movements in associates for the periods ended 30 June are as follows:

	2009	2008
1 January	316.468	4.380.092
Share capital increase	13.027.198	-
Loss from associates	(4.336.477)	(3.717.585)
Currency translation differences	(382.775)	697.934
30 June	8.624.414	1.360.441

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HÜRRİYET GAZETECİLİK VE MATBAACILIK A.Ş.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT
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(Amounts expressed in Turkish lira ("TL"), unless otherwise indicated)

NOTE 13 - INVESTMENT PROPERTY

The movements in investment property and related amortisations during the six-month period ended 30 June 2009 are as follows:

	1 January 2009	Additions	Disposals	Provision of impairment	Transfers	30 June 2009
Cost:						
Land	9.565.495	-	-	-	-	9.565.495
Buildings	12.803.169	5.756.506	(12.227.516)	(43.731)	2.090.803	8.379.231
	22.368.664	5.756.506	(12.227.516)	(43.731)	2.090.803	17.944.726
Accumulated depreciation:						
Buildings	391.762	36.728	-	-	-	428.490
	391.762	36.728	-	-	-	428.490
Net book value	21.976.902					17.516.236

The fair value of the investment property has been determined as TL 30.777.480 at 30 June 2009 (31 December 2008: TL 34.180.558).

The movement in investment property and related amortisations during the six-month period ended 30 June 2008 is as follows:

	1 January 2008	Additions	Disposals	Provision of impairment	30 June 2008
Cost:					
Land	9.565.495	-	-	-	9.565.495
Buildings	3.444.900	5.960.713	-	-	9.405.613
	13.010.395	5.960.713	-	-	18.971.108
Accumulated depreciation:					
Buildings	318.307	34.197	-	-	352.504
	318.307	34.197	-	-	352.504
Net book value	12.692.088				18.618.604

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NOTE 14 - PROPERTY, PLANT AND EQUIPMENT

The movements in property, plant and equipment and related accumulated depreciation for the six-month period ended 30 June 2009 are as follows:

	1 January 2009	Currency translation differences	Additions	Disposals	Transfers	30 June 2009
Cost						
Land and land improvements	52.609.400	(65.630)	209.311	-	-	52.753.081
Buildings	265.032.446	(471.457)	291.333	(187.160)	(2.090.803)	262.574.359
Machinery and equipments	672.717.143	(260.290)	5.873.898	(220.445)	21.341.337	699.451.643
Motor vehicles	11.312.260	(20.279)	8.596	(457.824)	-	10.842.753
Furniture and fixtures	97.252.560	(794.968)	2.457.176	(645.314)	622.183	98.891.637
Leasehold improvements	25.036.022	(6.463)	128.624	-	-	25.158.183
Other non current assets	408.167	(6.771)	97.499	-	-	498.895
Construction in progress	2.593.055	(35.840)	20.013.191	(78.694)	(22.344.142)	147.570
Total	1.126.961.053	(1.661.698)	29.079.628	(1.589.437)	(2.471.425)	1.150.318.121
Accumulated depreciation						
Land and land improvements	376.114	-	34.626	-	-	410.740
Buildings	57.650.434	(192.426)	2.947.077	(27.077)	-	60.378.008
Machinery and equipments	435.282.503	(387.918)	22.832.717	(121.827)	-	457.605.475
Motor vehicles	7.012.582	(137.420)	604.856	(341.954)	-	7.138.064
Furniture and fixtures	74.819.814	(319.820)	3.260.350	(552.188)	-	77.208.156
Leasehold improvements	22.500.100	1.808	189.082	-	-	22.690.990
Other non current assets	189.206	(3.182)	21.028	-	-	207.052
Total	597.830.753	(1.038.958)	29.889.736	(1.043.046)	-	625.638.485
Net book value	529.130.300					524.679.636

Net book value of the property, plant and equipment in machinery and equipment group obtained via financial leasing is amounting to TL 12.212.920 (31 December 2008: TL 13.888.186).

At 30 June 2009 there are liens amounting to TL 6.578.102 (31 December 2008: TL 6.559.411) and mortgages amounting to TL 13.954.850 (31 December 2008: TL 13.915.200). The depreciation charge for the six-month period ended at 30 June 2009 amounting to TL 23.884.234 (30 June 2008: TL 21.926.667) has been included in cost of sales and TL 6.005.502 (30 June 2008: TL 6.104.931) has been included in operating expenses.

Transfers amounting to TL 2.090.803 is related to investment property and TL 380.622 is related to intangible assets.

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NOTE 14 - PROPERTY, PLANT AND EQUIPMENT (Continued)

The movements in property, plant and equipment and related accumulated depreciation for the six-month period ended 30 June 2008 are as follows:

	1 January 2008	Currency translation differences	Additions	Disposals	Transfers	Disposal of subsidiary	30 June 2008
Cost							
Land and land improvements	52.246.932	812.515	4.590.663	-	-	-	57.650.110
Buildings	258.805.088	3.180.169	533.955	-	-	-	262.519.212
Machinery and equipments	644.183.292	6.493.697	672.004	(23.309)	10.772.674	-	662.098.358
Motor vehicles	9.750.872	181.538	1.337.952	(52.508)	-	-	11.217.854
Furniture and fixtures	92.068.472	2.715.400	4.292.925	(597.440)	80.967	(2.749.806)	95.810.518
Leasehold improvements	24.629.038	133.525	368.549	-	-	(66.246)	25.064.866
Other non current assets	325.592	41.776	-	-	-	-	367.368
Construction in progress	8.502.573	109.222	4.723.081	(375.394)	(11.951.457)	(84.648)	923.377
	1.090.511.859	13.667.842	16.519.129	(1.048.651)	(1.097.816)	(2.900.700)	1.115.651.663
Accumulated depreciation							
Land and land improvements	325.667	98.624	24.210	-	-	-	448.501
Buildings	51.139.088	917.605	2.707.968	-	-	-	54.764.661
Machinery and equipments	390.229.388	2.570.346	21.225.317	-	-	-	414.025.051
Motor vehicles	5.131.167	80.010	554.417	(35.599)	-	-	5.729.995
Furniture and fixtures	68.536.761	1.545.953	3.327.695	(369.260)	-	(1.750.611)	71.290.538
Leasehold improvements	22.171.037	32.064	172.708	-	-	(28.216)	22.347.593
Other non current assets	143.371	19.130	19.283	-	-	-	181.784
	537.676.479	5.263.732	28.031.598	(404.859)	-	(1.778.827)	568.788.123
Net book value	552.835.380						546.863.540

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NOTE 15 - INTANGIBLE ASSETS

Movement of intangible assets and related accumulated amortization for the six-month period ended 30 June 2009 is as follows:

	1 January 2009	Additions	Disposals	Transfers	Currency translation differences	30 June 2009
Cost						
Tradenames	315.838.367	-	-	-	(7.473.645)	308.364.722
Customer list	274.413.483	-	-	-	(9.768.470)	264.645.013
Software and rights	41.071.047	1.454.330	(195.932)	-	2.802.872	45.132.317
Internet domain names	14.551.572	782.122	-	380.622	(5.649.398)	10.064.918
Other intangible assets	6.878.293	89.061	-	-	28.968	6.996.322
	652.752.762	2.325.513	(195.932)	380.622	(20.059.673)	635.203.292
Accumulated depreciation						
Tradenames	14.610.793	608.804	-	-	(187.622)	15.031.975
Customer list	29.421.115	7.967.023	-	-	(827.056)	36.561.082
Software and rights	20.472.996	3.852.890	(46.574)	-	265.403	24.544.715
Internet domain names	1.039.278	302.268	-	-	(24.439)	1.317.107
Other intangible assets	6.021.218	481.864	-	-	36.062	6.539.144
	71.565.400	13.212.849	(46.574)	-	(737.652)	83.994.023
Net book value	581.187.362					551.209.269

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NOTE 15 - INTANGIBLE ASSETS (Continued)

Movement of intangible assets and related accumulated amortization for the six-month period ended 30 June 2008 is as follows:

	1 January 2008	Additions	Disposals	Currency translation differences	Disposal of subsidiaries	Transfers	30 June 2008
Cost							
Tradenames	289.768.125	33.123	-	33.950.777	(1.964.070)	-	321.787.955
Customer list	252.681.895	-	-	26.951.636	(310.375)	-	279.323.156
Software and rights	23.876.159	3.378.301	(333.683)	1.765.697	(1.283.209)	-	27.403.265
Internet domain names	16.696.590	52.751	-	2.136.799	(4.579.133)	1.097.816	15.404.823
Other intangible assets	6.076.417	136.348	-	309.241	-	-	6.522.006
	589.099.186	3.600.523	(333.683)	65.114.150	(8.136.787)	1.097.816	650.441.205
Accumulated depreciation							
Tradenames	915.911	640.362	-	72.710	-	-	1.628.983
Customer list	11.833.877	8.301.632	-	1.467.061	(215.913)	-	21.386.657
Software and rights	12.264.010	771.655	-	2.056.162	(1.052.575)	-	14.039.252
Internet domain names	650.523	456.601	-	73.565	(408.997)	-	771.692
Other intangible assets	4.797.870	721.198	-	277.198	1.228	-	5.797.494
	30.462.191	10.891.448	-	3.946.696	(1.676.257)	-	43.624.078
Net book value	558.636.995						606.817.127

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NOTE 15 - INTANGIBLE ASSETS (Continued)

Intangible assets with indefinite useful lives amounted to TL 280.986.330 at 30 June 2009 (31 December 2008: TL 292.613.040). The useful lives of the assets with indefinite useful life, as expected by the Group, are 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.

Amortisation expenses amounting to TL 13.212.849 for the six-month interim period ended at 30 June 2009 have been included in operating expenses (30 June 2008: TL 10.891.448).

NOTE 16 - GOODWILL

The movements in goodwill during the six-month period ended 30 June 2009 and 2008 are as follows:

	2009	2008
1 January	236.449.857	236.129.473
Additions	-	625.961
Currency translation differences	(8.104.780)	25.906.698
Disposal of discontinued operations	-	(191.961)
Other (*)	(659.246)	4.885.661
30 June	227.685.831	267.355.832

(*) Other represents the changes in the fair value of the put options (Note 2.2.24).

Goodwill is tested annually for impairment at year-end and accounted for impairment losses if any.

Goodwill is not subject to amortisation starting from 1 January 2005, within the framework of IFRS 3 "Business Combinations", and the carrying value of goodwill is tested for impairment, as mentioned in the above paragraph.

NOTE 17 - GOVERNMENT GRANTS

The Group obtained six investment incentive certificates for imported equipment amounting to USD 24.700.361 and domestic equipment amounting to TL 151.800 due to the modernization of its printing plants in Istanbul, Ankara, Izmir, Adana, Antalya and Trabzon on 23, 27 and 31 July 2008 respectively. These certificates are valid for two years and equipment imported within the scope of the certificate is exempt from Customs Duty, Collective Housing Fund and VAT. The Group has made an investment expenditure amounting to USD 18.300.769 as at 30 June 2009.

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NOTE 18 -PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

Short-term provisions as of 30 June 2009 and 31 December 2008 are as follows:

	30 June 2009	31 December 2008
Provision for tax penalty	15.209.000	-
Provision for unused vacation	5.568.245	4.558.785
Provision for lawsuit	2.297.663	2.172.814
	23.074.908	6.731.599

With regards to the tax reviews in connection with the Group's prior accounting periods, the tax inspection reports issued by the Ministry of Finance on 7 August 2009 imposed payment of a tax principal of TL12.292.167, a tax loss penalty of TL 12.292.167 and a special irregularity penalty of TL 165.000. The declarations to be made by the tax office with respect to such tax inspection reports of the Ministry of Finance are expected as of the approval date of these financial statements.

The Group has determined that the practices criticised in the tax inspection reports are in compliance with legislation and the communiqués, circulars and previous assessments of the Ministry of Finance, and that the Group will use its legal rights as well as the way of settlement with the tax office with respect to relevant criticisms.

In accordance with the opinions of the Group's legal counsel and tax experts and taking into account the principle of prudence, the Group management has recorded a provision at an amount of TL15.209.000 in these consolidated financial statements for the six-month interim period ended 30 June 2009 with respect to tax principal and tax loss penalty discussed in the tax inspection reports and the estimated late payment interest thereon. The Group has estimated this provision amount in accordance with the opinions of its legal counsel and tax experts. However, a discrepancy between the realised amounts and the provision remains possible.

The movements in provision for unused vacation rights during the period are as follows:

	2009	2008
1 January	4.558.785	2.582.860
Additions during the period	1.040.020	1.459.442
Reversal of provisions	(30.560)	-
30 June	5.568.245	4.042.302

The movements in provision for lawsuit during the period are as follows:

	2009	2008
1 January	2.172.814	2.564.660
Additions during the period	124.849	53.293
30 June	2.297.663	2.617.953

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NOTE 19 - COMMITMENTS

Commitments and contingencies, from which the management does not anticipate any significant losses or liabilities, are summarized below:

a) Guarantees given:

	Currency	Original amount	30 June 2009	Original amount	31 December 2008
Letters of guarantee	TL	3.279.069	3.279.069	4.047.743	4.047.743
	HUF	58.700.000	464.722	58.700.000	468.746
Financial notes	TL	202.223	202.223	202.223	202.223
Guarantee notes	TL	1.714	1.714	1.714	1.714
Guarantees given	TL	3.008.529	3.008.529	3.008.529	3.008.529
	Euro	25.000	53.673	25.000	53.520
			7.009.930		7.782.475

b) Commitments given:

The Group has blocked deposits amounting to TL 239.064 at 30 June 2009 (31 December 2008: TL 65.451) (Note 5) and has liens amounting to TL 6.578.102 related to the machinery and equipment, arising from the operations in Germany (31 December 2008: TL 6.559.411).

There are mortgages amounting to TL 13.954.850 on property plant and equipment as of 30 June 2009 (31 December 2008: TL 13.915.200) (Note 14).

c) Barter agreements:

Group, as is common practice in the media sector, has entered into barter agreements. These agreements involve the exchange of goods or services without cash collections or payments.

As of 30 June 2009, in connection with the barter agreements, the Group has TL 14.889.224 (31 December 2008: TL 7.209.486) of advertisement commitment and TL 8.199.766 (31 December 2008: TL 5.251.718) goods and services purchase rights.

d) Lawsuits against the Group:

The lawsuits against the Group amount to TL 30.817.125 (31 December 2008: TL 31.493.679). The Group accounts for provisions in cases when there is a legal or valid liability resulting from past operations and it may be necessary for resources to flow out in order to fulfil these liabilities and when a reliable estimation can be made for the amount. The Group has accounted for a provision of TL 2.297.663 as a result of these analyses as of 30 June 2009. (31 December 2008: TL 2.172.814).

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NOTE 19 - COMMITMENTS (Continued)

d) Lawsuits against the Group (Continued):

	30 June 2009	31 December 2008
Legal lawsuits	21.512.327	23.117.282
Labor lawsuits	3.775.813	2.514.224
Trade lawsuits	2.616.232	3.858.640
Administrative lawsuits	1.086.010	1.072.186
Tax lawsuits	900.896	926.347
Penal lawsuits	5.000	5.000
	29.896.278	31.493.679

e) Derivative financial instruments:

i) Swap transactions in foreign exchange

The Group has made a Euro swap transaction regarding the last three installments due in 2012 and 2013 amounting to USD 80.283.333 of its long term bank credit agreement, amounted to USD 240.850.000, explained in detail in Note 7. As at 6 March 2009, the Euro swap transaction was terminated according to the agreement made between the Group and the related bank. As a result of such foreign currency swap transactions, gain amounted to TL 11.717.066 has been recognized as of 30 June 2009.

ii) Interest rate swap transactions

The Group entered into ten collar agreements totaling to USD 83.000.000 and purchased one CAP amounting to USD 37.000.000 to hedge the interest rate risk arising from borrowings as of 30 June 2009. The agreements have fixed floor and ceiling rates. Accordingly, at the dates defined in agreements, if the LIBOR rate is below the floor rate, the Group has to compensate for the difference between the floor rate and the actual rate. Similarly, if the LIBOR rate is above the ceiling rate, banks compensate for the difference to the Group.

As of 30 June 2009 fixed floor and ceiling rates change between 2,8% and 5,6% (31 December 2008: 2,8% -5,6%) and the main floating interest rate is LIBOR.

Financial expense recognized during the period regarding these agreements amounted to TL 286.631 (30 June 2008: TL 85.194).

f) Put options:

In January 2007, OOO ProntoMoscow, a subsidiary of the Group, finalised the acquisition of Impress Media Marketing LLC. Accordingly, the Group has the right to purchase minority shares of 26,5% from owners without a time constraint, provided that certain conditions are met. As the Group management assumed that 5,8% of the remaining minority shares of 26,5% will realize in the current year, it is classified under short-term other financial liabilities. As of 30 June 2009, the short-term portion of the fair value of the put option is TL 936.421 (31 December 2008: TL 1.218.914), long-term portion is TL 3.387.641 (31 December 2008: TL 4.405.330) according to various valuation techniques and assumptions.

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NOTE 19 - COMMITMENTS (Continued)

f) Put options (Continued):

The Group has granted a put option, on the remainder of 30% shares during the acquisition of 70% interest of the shares in its subsidiary Oglasnik d.o.o. located in Croatia. As of 30 June 2009, the fair value of this option is TL 11.732.807 according to various valuation techniques and assumptions and and classified in “other short-term financial liabilities” (31 December 2008: TL 12.467.401). The option is exercisable until the end of 2009.

The Group has acquired a 55% interest in Moje Delo d.o.o. (“Moje Delo”) in Slovenia. The Group determined an earn-out subject to a maximum of EUR 1 million and paid during the period. The Group has granted to the selling shareholders a put option on the remainder of the shares exercisable from January 2009 to January 2012 and has a call option exercisable from January 2011 to January 2014. Exercise price shall be calculated based on EBITDA and the net financial debt of Moje Delo. The fair value of the put option is TL 1.976.890 as of 30 June 2009 (31 December 2008: TL 1.637.821) and classified in “other long-term financial liabilities”.

NOTE 20 - PROVISION FOR EMPLOYMENT TERMINATION BENEFITS

Provision for employment termination benefits at 30 June 2009 and 31 December 2008 are as follows:

	30 June 2009	31 December 2008
Provision for employment termination benefits	11.683.372	11.744.969
	11.683.372	11.744.969

There are no pension plans and benefits other than the legal requirement as explained below.

Under the Turkish Labour Law, the Company is required to pay termination benefits to each employee who has completed one year of service and whose employment is terminated without due cause, or who is called up for military service, dies or retires after completing 25 years of service (20 years for women) and achieves the retirement age (58 for women and 60 for men). At 30 June 2009 the amount payable maximum TL 2.365,16 (31 December 2008: TL 2.173,18) for each year of service.

On the other hand Group is liable to make payments to personnel who work for a minimum of 5 years and whose employment is terminated without due cause in accordance with the Regulations with regards to Employees Employed in the Press Sector. The maximum payable amount is 30 days’ salary for each year of service.

Employment termination benefit liabilities are not subject to any funding and there are no legal requirements for funding of these liabilities.

The provision has been calculated by estimating the present value of the future probable obligation of the Group arising from the retirement of the employees.

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NOTE 20 - PROVISION FOR EMPLOYMENT TERMINATION BENEFITS (Continued)

Accounting principles described in Note 24, require actuarial valuation methods to be developed to estimate the enterprise's obligation under defined benefit plans. Accordingly the following actuarial assumptions were used in the calculation of the total provision.

	30 June 2009	31 December 2008
Discount rate (%)	6,26	6,26
Turnover rate to estimate the probability of retirement (%)	89	89

The principal assumption is that the maximum liability of TL 2.365,16 (31 December 2008: TL 2.173,18) for each year of service will increase in line with inflation. Thus, the discount rate applied represents the expected real rate after adjusting for the anticipated effects of future inflation. As the maximum liability is revised semi-annually, the maximum amount of TL 2.365,16 (1 January 2008: TL 2.087,92) which is effective from 1 July 2008, has been taken into consideration in calculating the reserve for employment termination benefit of the Group. As of 30 June 2009, the salaries have been taken into consideration in calculation for the employees under the Regulations with regards to Employees Employed in the Press Sector.

Movements in the provision for employment termination benefits during the period are as follows:

	2009	2008
1 January	11.744.969	10.115.141
Current period service charge	622.848	792.588
Interest expenses	735.235	633.208
Payments during the period and provisions terminated	(1.850.699)	(949.865)
Actuarial gain	431.019	1.001.369
30 June	11.683.372	11.592.441

NOTE 21 - OTHER ASSETS AND LIABILITIES

Other current assets at 30 June 2009 and 31 December 2008 is as follows:

	30 June 2009	31 December 2008
Prepaid tax (Note 30)	11.513.806	19.476.471
Prepaid expenses (*)	10.211.394	10.052.544
Advances given to personnel	4.411.096	4.134.020
Value Added Tax ("VAT") receivables	1.945.956	2.270.461
Job advances	1.928.243	1.359.241
Income accruals	640.103	8.730.439
Advances given for purchases	523.891	584.150
Other	5.289.662	4.808.997
	36.464.151	51.416.323

(*) Prepaid expenses comprised of prepaid rents.

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NOTE 21 - OTHER ASSETS AND LIABILITIES (Continued)

Other non-current assets at 30 June 2009 and 31 December 2008 are as follows:

	30 June 2009	31 December 2008
Advances given for put option liabilities	1.577.009	451.725
Advances given related to tangible asset purchases	926.323	7.146.327
Prepaid expenses	-	710.168
	2.503.332	8.308.220

Other short-term liabilities at 30 June 2009 and 31 December 2008 are as follows:

	30 June 2009	31 December 2008
Deferred revenue	9.862.090	9.310.846
VAT payables	6.091.447	4.021.327
Expense accruals	3.393.289	1.074.257
Payables to personnel	65.663	45.538
Other	573.870	1.037.154
	19.986.359	15.489.122

NOTE 22 - SHAREHOLDERS' EQUITY

The Company adopted the registered share capital system available to companies registered with the CMB and set a limit on its registered share capital representing registered type shares with a nominal value of TL 1 There are no privileged shares. The Company's historical, authorised and paid-in share capital at 30 June 2009 and 31 December 2008 are as follows:

	30 June 2009	31 December 2008
Historical authorised and paid-in share capital	460.000.000	460.000.000
Limit on registered share capital (historical)	800.000.000	800.000.000

Companies in Turkey may exceed the limit for registered share capital in case of issuance of free capital shares to existing shareholders.

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NOTE 22 - SHAREHOLDERS’ EQUITY (Continued)

The shareholding structure is as follows:

	30 June 2009	Share (%)	31 December 2008	Share (%)
Doğan Yayın	306.176.000	66,56	305.624.000	66,44
Doğan Holding	51.014.000	11,09	23.920.000	5,20
Publicly owned	102.810.000	22,35	130.456.000	28,36
	460.000.000	100	460.000.000	100
Adjustment to share capital	77.198.813		77.198.813	
Total share capital	537.198.813		537.198.813	

As of 30 June 2009, 6,56% (31 December 2008: 6,44%) of publicly owned shares belong to Doğan Yayın which is the main shareholder of the Group, and 11,09% (31 December 2008: 5,20%) by Doğan Holding, which is the ultimate parent of the Group.

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

The legal reserves consist of first and second reserves, appropriated in accordance with the Turkish Commercial Code (TCC). The TCC stipulates that the first legal reserve is appropriated out of statutory profits at the rate of 5% per annum, until the total reserve reaches 20% of the Company’s paid-in share capital. The second legal reserve is appropriated at the rate of 10% per annum of all cash distributions in excess of 5% of the paid-in share capital. Under the TCC, the legal reserves can only be used to offset losses and are not available for any other usage unless they exceed 50% of paid-in share capital.

The amounts stated above should be reclassified under “Restricted Reserves” in accordance with the CMB Financial Reporting Standards.

As of 30 June 2009 and 31 December 2008, details of the restricted reserves of Hürriyet, equityholder of the Group, are as follows:

Restricted reserves:	30 June 2009	31 December 2008
1. Composition restricted reserves	23.067.690	23.067.690
2. Composition restricted reserves	4.648.847	4.242.492
	27.716.537	27.310.182

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NOTE 22 - SHAREHOLDERS’ EQUITY (Continued)

In accordance with the CMB regulations effective until 1 January 2008, the inflation adjustment differences arising at the initial application of inflation accounting which are recorded under “accumulated losses” could be netted off from the profit to be distributed based on CMB profit distribution regulations. In addition, the aforementioned amount recorded under “accumulated losses” could be netted off with net income for the period, if any, undistributed prior period profits, and inflation adjustment differences of extraordinary reserves, legal reserves and capital, respectively.

Again, relative to the execution valid due to 1 January 2008, according to the result of inflation adjusted first financial statement arrangement, equity accounts of “capital, issue premium, legal reserves, statutory reserves, appropriated surplus and extraordinary reserves” are booked as their balance sheet values and total of the adjusted values of these accounts were booked in equity group “equity inflation adjustment differences” account. For all equity accounts, “equity inflation adjustment differences” could only be used for stock split or loss account; booked amounts of extraordinary reserves could only be used for stock split, cash dividend distribution or loss accounts.

In accordance with the Communiqué No:XI-29 and related announcements of CMB, effective from 1 January 2008, “Share capital”, “Restricted Reserves” and “Share Premiums” shall be carried at their statutory amounts.

The valuation differences (such as inflation adjustment differences) shall be disclosed as follows:

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

Other equity items shall be carried at the amounts calculated based on CMB Financial Reporting Standards.

There is no usage of the ‘Adjustment to Share Capital’ except adding up to the Capital.

Moreover, in accordance with the CMB decision no 7/242, dated 25 February 2005, in the event that the entire profit distribution amount calculated pursuant the minimum profit distribution amount calculated over the net distributable profit found in accordance with CMB regulations can be covered by the distributable profit in the statutory records, it shall be distributed completely, and if the relevant amount cannot be covered by that amount, all of the net distributable profit in the statutory records shall be distributed. In the event that there is any period loss in financial statements or statutory records prepared in accordance with the CMB regulations, no profit shall be distributed.

Dividend Payment

Companies registered on ISE are subject to dividend requirements regulated by the CMB as explained below:

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NOTE 22 - SHAREHOLDERS' EQUITY (Continued)

In accordance with the CMB Decision dated 9 January 2009, concerning distribution basis of net profit obtained from the operations of the year 2009, minimum profit distribution shall be applied as 20% for the companies quoted in the stock exchange (31 December 2008: 20%). According to the Board's decision and Communiqué IV No:27 issued by CMB regarding allocation basis of profit of publicly owned companies, the distribution of the relevant amount may be realised as cash or as bonus shares or partly as cash and bonus shares; and in the event that the first dividend amount to be specified is less than 5% of the paid-up capital, the relevant amount can be retained within the company. However, companies that made capital increases before distributing dividends related to the prior period and whose shares are therefore classified as "old" and "new" and that will distribute dividends from the profit made from 2008 operations are required to distribute the initial amount in cash.

In addition, according to the aforementioned Board decision dated 9 January 2009, the restrictions on the distributions of the profit derived from the subsidiaries, joint ventures and associates of entities who are required to prepare consolidated financial statements where no profit distribution decision is taken in the general assemblies of such subsidiaries joint ventures and associates is abolished. It is decided that as long as the entities can provide the necessary amount from their statutory reserves, the distributable profit can be calculated based on the net income declared at the publicly announced consolidated financial statements in the accordance with Communiqué XI No:29.

Accordingly, if the amount of dividend distributions calculated in accordance with the net distributable profit requirements of the CMB does not exceed the statutory net distributable profit, the total amount of distributable profit shall be distributed. If it exceeds the statutory net distributable profit, the total amount of the statutory net distributable profit shall be distributed. It is stated that dividend distributions should not be made if there is a loss in either the consolidated financial statements prepared in accordance with CMB regulations or in the statutory financial statements.

In accordance with the Board Decision dated 9 January 2009, the total amount of net income after the deduction of accumulated losses at statutory records and reserves that can be subject to dividend distribution shall be disclosed in the notes to the financial statements which will be prepared and publicly announced in accordance with Communiqué XI No:29.

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NOTE 23 - SALES AND COST OF SALES

Sales

	2009		2008	
	1 January - 30 June	1 April - 30 June	1 January - 30 June	1 April - 30 June
Advertisement sales	245.733.582	139.053.559	372.152.934	217.052.408
Circulation and publishing sales	115.721.239	60.829.776	111.638.110	67.748.035
Other	24.787.932	12.342.673	22.604.671	1.249.163
Net sales	386.242.753	212.226.008	506.395.715	286.049.606
Cost of sales	(251.814.827)	(128.956.790)	(286.941.439)	(156.983.595)
Gross margin	134.427.926	83.269.218	219.454.276	129.066.011

Cost of sales

The details of cost of sales for the six-months interim period ended 30 June are as follows:

	2009		2008	
	1 January - 30 June	1 April - 30 June	1 January - 30 June	1 April - 30 June
Raw materials	113.494.808	58.212.438	127.927.093	72.310.841
<i>Paper</i>	78.315.607	39.834.252	77.882.625	43.479.916
<i>Printing and ink</i>	25.607.466	13.256.084	37.253.797	21.097.445
<i>Other</i>	9.571.735	5.122.102	12.790.671	7.733.480
Payroll	74.742.768	38.686.883	81.528.676	41.751.159
Depreciation and amortisation	24.046.116	12.405.352	21.960.864	11.443.106
Commission	8.272.506	4.409.828	15.423.886	8.657.497
Distribution and travel	3.602.999	1.868.144	4.208.409	2.330.260
Fuel, electricity, water and office expenses	3.186.659	1.522.322	4.264.982	2.334.291
Maintenance expenses	2.984.996	1.624.334	3.457.274	1.818.626
Outsourced services	2.861.900	1.478.576	5.728.131	4.084.635
Packaging expenses	2.722.740	1.327.746	3.031.601	1.773.944
Rent expenses	2.009.599	998.383	1.907.186	959.738
Communication	1.928.138	976.614	2.837.670	1.549.313
News agency expenses	1.467.596	818.678	1.150.802	397.493
Other	10.494.002	4.627.492	13.514.865	7.572.692
	251.814.827	128.956.790	286.941.439	156.983.595

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**NOTE 24 - RESEARCH AND DEVELOPMENT EXPENSES, MARKETING, SELLING
AND DISTRIBUTION EXPENSES, GENERAL ADMINISTRATION
EXPENSES**

a) Marketing, selling and distribution expenses:

	2009		2008	
	1 January - 30 June	1 April - 30 June	1 January - 30 June	1 April - 30 June
Advertisement	12.327.447	6.785.825	29.021.104	17.159.238
Transportation, storage and travel	10.027.556	5.252.156	15.420.450	8.675.139
Payroll	5.036.632	2.767.727	5.238.787	2.920.231
Promotion	4.302.184	3.023.381	5.697.977	3.275.444
Sponsorship	822.112	511.506	1.318.171	955.765
Outsourced services	701.058	275.639	2.441.484	918.574
Other	3.389.201	1.644.397	5.091.140	3.180.334
	36.606.190	20.260.631	64.229.113	37.084.725

b) General administrative expenses:

	2009		2008	
	1 January - 30 June	1 April - 30 June	1 January - 30 June	1 April - 30 June
Payroll	24.771.023	13.674.125	27.451.407	15.140.014
Depreciation and amortization	19.005.203	9.231.201	16.705.829	8.006.802
Consultancy	9.336.817	4.905.655	10.365.408	5.301.953
Rent	6.610.554	3.260.608	7.132.992	3.971.129
Fuel, electricity, water and office expenses	3.282.155	1.804.246	6.266.534	2.226.362
Transportation, storage and travel	2.473.394	1.305.901	3.712.433	2.069.128
Communication	2.070.403	1.031.930	1.986.405	1.083.972
Maintenance and repairment	1.001.049	509.201	1.320.751	717.483
Other	5.929.941	3.211.932	11.076.991	7.650.288
	74.480.539	38.934.799	86.018.750	46.167.131

NOTE 25 - EXPENSES BY NATURE

The expenses as of 30 June 2009 and 2008 are shown based on the functions and the details are given in Notes 23 and 24.

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NOTE 26 - OTHER OPERATING INCOME/EXPENSES

The details of other income and gains for the periods ended 30 June are as follows:

	2009		2008	
	1 January - 30 June	1 April - 30 June	1 January - 30 June	1 April - 30 June
Rent and building service fees	1.257.058	621.128	2.244.333	1.180.011
Provisions terminated	648.544	(283.259)	839.279	455.832
Other	433.075	116.918	219.939	219.939
	2.338.677	454.787	3.303.551	1.855.782

The details of other expenses and losses for the periods ended 30 June are as follows:

	2009		2008	
	1 January - 30 June	1 April - 30 June	1 January - 30 June	1 April - 30 June
Provision for tax penalty (Note 18)	15.209.000	15.209.000	-	-
Provision for doubtful receivables	6.007.702	4.668.270	2.115.396	1.303.328
Loss on sale of property, plant and equipment	1.429.602	939.021	259.008	-
Aids and donations	203.503	65.653	211.754	78.170
Other	2.516.728	1.751.297	479.521	69.416
	25.366.535	22.633.241	3.065.679	1.450.914

NOTE 27 - FINANCIAL INCOME

The details of financial income for the periods ended 30 June are as follows:

	2009		2008	
	1 January - 30 June	1 April - 30 June	1 January - 30 June	1 April - 30 June
Foreign exchange gains	81.109.122	56.020.677	46.544.711	25.955.091
Interest income	11.757.466	4.030.684	6.700.550	4.064.993
Credit finance income from receivables	6.217.830	1.940.759	6.872.261	2.710.462
Income from due date differences	994.764	336.125	1.834.908	1.834.908
Interest income on financial assets at fair value through profit and loss, net	653.017	245.010	74.315	-
Other	21.423	-	1.031.536	587.073
	100.753.622	62.573.255	63.058.281	35.152.527

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NOTE 28 - FINANCIAL EXPENSES

The details of financial expenses for the periods ended 30 June are as follows:

	2009		2008	
	1 January - 30 June	1 April - 30 June	1 January - 30 June	1 April - 30 June
Foreign exchange losses	90.345.746	2.288.898	65.797.273	196.609
Interest expenses on bank borrowings	16.317.546	6.849.842	21.964.692	10.435.317
Forward and option agreements	-	-	3.958.687	3.958.687
Banking commission and factoring expenses	1.631.161	1.341.168	1.773.975	1.580.449
Other	3.741.930	856.982	8.744.905	2.929.506
	112.036.383	11.336.890	102.239.532	19.100.568

NOTE 29 - NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

As of 30 June 2009, the Group has no non-current assets held for sale and discontinued operations.

The Group classified the wholly owned shares of its subsidiary Trader.com (Polska) Sp. Z.o.o. as discontinued operation. Discontinued operations have been sold for TL 66.508.000 in consideration of USD 54.350.000 on 25 June 2008.

Discontinued operations

	1 January- 30 June 2008	1 April- 30 June 2008
Sales	6.188.464	2.331.252
Cost of sales	(3.860.170)	(1.351.040)
Gross profit	2.328.294	980.212
Operating expenses	(1.804.266)	(249.462)
Other operating expenses	18.161	107.722
Financial expenses	(28.536)	(683.489)
Income from discontinued operations	513.653	154.983
Gain on disposal of discontinued operations	58.675.805	58.675.805
Profit after tax from discontinued operations	59.189.458	58.830.788

The Group has stopped classification of one of its Subsidiary incorporated in Hungary, Kisokos Directory Kereskedelmi es Szolgalto Kft. ("Kisokos") as discontinued operations in accordance with the decision take on 30 June 2008. Discontinued operations which were presented as an item on the face of financial statements as " non current assets held for sale", "liabilities related to non-current assets held for sale" and " net discontinued operations loss after tax" at 30 June 2008 have been reclassified and restated in order to be consistent with the current period.

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NOTE 30 - TAX ASSETS AND LIABILITIES

	30 June 2009	31 December 2008
Corporate and income taxes payable	1.360.345	2.159.564
Less: Prepaid taxes (Note 21)	(11.513.806)	(19.476.471)
Taxes (receivable)/payable, net	(10.153.461)	(17.316.907)
Deferred tax liabilities	143.676.319	152.434.565
Deferred tax assets	(12.810.535)	(19.293.484)
Ertelenen vergi yükümlülüğü, net	130.865.784	133.141.081

The Group calculates its deferred tax assets and liabilities, considering the effects of temporary differences which result from different evaluations of principles of preparation of the financial statements and legal financial statements mentioned in Note 2.1.1. Those temporary differences usually cause income and loss to be accounted for in different reporting periods in accordance with the principles of preparation of the financial statements and tax laws mentioned in Note 2.1.1.

Deferred income 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 a principal tax rate of 20% (31 December 2008: 20%).

The tax rates at 30 June 2009, which are used in the calculation of deferred tax, taking each country's tax legislations into consideration are as follows:

Country	Tax rates (%)	Country	Tax rates (%)
Germany	28,0	Kazakhstan	30,0
Austria	25,0	Hungary	16,0
Belarus	24,0	Netherlands	25,5
Russia	20,0	Ukraine	25,0
Croatia	20,0		

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NOTE 30 - TAX ASSETS AND LIABILITIES (Continued)

The temporary differences giving rise to deferred income tax assets/ (liabilities) using the enacted tax rates as of 30 June 2009 and 31 December 2008 are as follows:

	<u>Temporary differences</u>		<u>Deferred tax assets/ (liabilities)</u>	
	30 June 2009	31 December 2008	30 June 2009	31 December 2008
Carry forward tax losses (*)	17.815.496	52.161.867	2.902.311	9.986.699
Difference between tax base and carrying value of trade receivables	13.208.167	18.410.048	2.308.691	3.376.827
Provision for employment termination benefits and unused vacation rights	18.888.343	16.303.754	3.777.669	3.260.751
Difference between tax base and carrying value of leasing payables	6.996.510	6.976.631	1.959.023	1.953.457
Deferred revenue	1.494.840	1.250.152	298.968	250.031
Other, net	7.747.540	2.328.594	1.563.873	465.719
Deferred tax assets			12.810.535	19.293.484
Difference between tax bases and carrying value of property, plant and equipment and intangibles	(730.184.459)	(688.508.892)	(142.330.678)	(148.228.187)
Other, net	(6.008.061)	(20.228.274)	(1.345.641)	(4.206.378)
Deferred tax liabilities			(143.676.319)	(152.434.565)
Deferred tax liabilities, net			(130.865.784)	(133.141.081)
Deferred tax assets:			30 June 2009	31 December 2008
Deferred tax asset to be recovered after more than 12 months			12.001.762	18.206.512
Deferred tax asset to be recovered within 12 months			808.773	1.086.972
Total			12.810.535	19.293.484
Deferred tax liabilities:			30 June 2009	31 December 2008
Deferred tax liability to be recovered after more than 12 months			(143.066.642)	(151.855.668)
Deferred tax liability to be recovered within 12 months			(609.677)	(578.897)
Total			(143.676.319)	(152.434.565)

(*) Deferred income tax assets are recognized for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized. As of 30 June 2009, carry forward tax losses for which no deferred income tax asset was recognized amounted to TL 26.244.367 (31 December 2008: TL 22.897.094).

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NOTE 30 - TAX ASSETS AND LIABILITIES (Continued)

The maturity analysis of carry forward tax losses is as follows:

	30 June 2009	31 December 2008
2011	313.083	313.083
2012	-	-
2013	-	40.712.963
2014 and over	17.502.413	11.135.821
	17.815.496	52.161.867

The movements in deferred tax liabilities for the six-months period ended 30 June are as follows:

	2009	2008
1 January	133.141.081	154.292.060
Deferred tax income at consolidated statement of income	2.362.933	(1.944.514)
Disposal of discontinued operations	-	(797.487)
Currency translation differences	(4.638.230)	13.019.367
30 June	130.865.784	164.569.426

The analysis of the tax expenses for the period ended 30 June are as follows:

	2009		2008	
	1 January - 30 June	1 April - 30 June	1 January - 30 June	1 April - 30 June
Current	(3.155.420)	(1.839.796)	(19.356.025)	(11.004.356)
Deferred	(2.362.933)	(12.923.761)	1.944.514	(6.166.430)
	(5.518.353)	(14.763.557)	(17.411.511)	(17.170.786)

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NOTE 30 - TAX ASSETS AND LIABILITIES (Continued)

The reconciliation of the taxation on income in the consolidated statement of income for the periods ended 30 June 2009 and 2008 and the taxation on income calculated with the current tax rate over income before tax and minority interest is as follows:

	30 June 2009	30 June 2008
Loss before taxes and minority from continuing operations	(15.305.899)	26.545.449
Current period tax (income)/loss calculated at the effective tax rates of countries	(4.057.145)	12.304.303
Expenses not deductible for tax purposes	3.784.519	4.008.735
Financial losses for which no deferred tax asset was calculated	4.645.945	3.321.311
Income not subject to tax	-	(1.299.468)
Withholding tax relating to dividend distribution	62.157	-
Other, net	1.082.877	(923.370)
Tax (income)/loss from continuing operations	5.518.353	17.411.511

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.

The details of the effective tax laws in Turkey and other countries which the Group has significant operations are stated below:

Turkey:

Turkish Corporate Tax Law has been amended by Law No. 5520 dated 13 June 2006. Most of the articles of this new Law No. 5520 have come into force effective from 1 January 2006. Corporation tax is 20% (31 December 2008: 20%). Corporation tax is payable on the total income of the companies after adjusting for certain disallowable expenses, corporate income tax exemptions (gain from associates' exemption, investment allowances etc) and corporate income tax deductions (like research and development expenditures deduction). No further tax is payable unless the profit is distributed (except withholding tax at the rate of 19,8% on the investment incentive allowance utilised within the scope of the Income Tax Law Transitional Article 61).

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

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NOTE 30 - TAX ASSETS AND LIABILITIES (Continued)

Corporations are required to pay advance corporation tax quarterly at the rate of 20% (31 December 2008: 20%) on their corporate income. Advance tax is to be declared by the 10th day of the second month following each calendar quarter end and is payable by the 17th of the second month following each calendar quarter end. Advance tax paid by corporations is credited against the annual corporation tax liability. The balance of the advance tax paid may be refunded or used to set off against other liabilities to the government.

In accordance with Tax Law No: 5024 "Law Related to Changes in Tax Procedure Law, Income Tax Law and Corporate Tax Law" that was published on the Official Gazette on 30 December 2003 to amend the tax base for non-monetary assets and liabilities, effective from 1 January 2004, the income and corporate taxpayers will prepare the statutory financial statements by adjusting the non-monetary assets and liabilities for the changes in the general purchasing power of the Turkish Lira. In accordance with the aforementioned law provisions, in order to apply inflation adjustment, cumulative inflation rate (TURKSTAT WPI) over last 36 months and 12 months must exceed 100% and 10%, respectively. Inflation adjustment has not been applied as these conditions were not fulfilled in the year 2006.

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

Tax returns are open for 5 years from the beginning of the year that follows the date of filing during which time the tax authorities have the right to audit tax returns, and the related accounting records on which they are based, and may issue re-assessments based on their findings.

Under the Turkish taxation system, tax losses can be carried forward to offset against future taxable income for up to 5 years. Tax losses can not be carried back to offset profits from previous periods.

Dividend income from shares in capital of another corporation subject to resident taxpaying (except dividends from investment funds participation certificates and investment trusts shares) are exempt from corporate tax.

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.

The participation income of corporations participating in 10% or more of the capital of a limited liability or joint stock company which does not have its legal or business centre in Turkey (except for corporations whose principal activity is financial leasing or investment of marketable securities) for at least a 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 are subject to corporate income tax, or alike, in their country of legal or business centre at the rate of at least 15% (at corporate income tax rate applicable in Turkey for those companies whose principal activity is financial assurance or insurance).

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NOTE 30 - TAX ASSETS AND LIABILITIES (Continued)

The income of corporations arising from their offices or permanent representatives abroad (except for corporations whose principal activity is financial leasing or investment of marketable securities) for at least a 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 and provided that the foreign office or permanent representative must be subject to corporate income tax, or alike, in the country it is located at the rate of at least 15% (at corporate income tax rate applicable in Turkey for those companies whose principal activity is financial assurance or insurance).

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

The investment allowance application which had been in force for a significant period of time; and indicated that the taxpayer may receive 40% of the fixed asset purchase amounts; was abolished by Law No.5479 dated 30 March 2006. However, in accordance with the temporary article 69 of the Income Tax Law, income and corporate taxpayers can deduct the amounts in relation to below mentioned allowances from their income for the years 2006, 2007 and 2008 as well as the investment allowances amounts they could not offset against 2006 gains which were present as of 2006, in accordance with the legislation (including the provisions related to tax rates) in force as of 2006:

- a) In the scope of the investment incentive certificates prepared related to the applications before 24 April 2003, investments to be made after 1 January 2006 in the scope of the certificate for the investments started in accordance with the additional 1st, 2nd, 3rd, 4th, 5th and 6th articles prior to the abrogation of Income Tax Law No. 193, with Law No. 4842,
- b) In the scope of the abolished 19th article of Income Tax Law No: 193, the investment allowance amounts to be calculated in accordance with the legislation, the investments which were started before 1 January 2006 and which display an economic and technical integrity,

The Companies can utilize the investment allowance exemption, for their investments performed according to provisions of the legislation as of that date and for their subsequent investments in line with the provisions of the legislation (including provisions regarding tax rates) in calculating tax on their profits for the years 2006, 2007, and 2008.

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

Apart from the above mentioned exceptions in the determination of the corporate tax base, allowances cited in the articles 8, 9 and 10 of Corporate Tax Law and article 40 of Income Tax Law are taken into consideration.

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NOTE 30 - TAX ASSETS AND LIABILITIES (Continued)

Russian Federation

The corporate tax rate effective in Russian Federation is 20% (31 December 2008: 24%).

Russian tax year is the calendar year and other fiscal year ends are not permitted. Profit tax is calculated on a year-to-date basis. Advance payments are made monthly, with different calculation methods for quarterly or monthly schedules subject to the taxpayer's choice.

The annual balance is due by 28 March of the following year.

According to Russian Federation's tax system, losses may be carried forward for 10 years to be deducted from future taxable income. Starting from 2007 there is no limitation as to the maximum amount that can be deducted in each particular year. Maximum amount that can be deducted in any year is limited to 30% of the taxable income (31 December 2008: 30%). Rights related to tax losses that have not been utilized in the related periods will be lost.

Tax refunds are technically possible but are very difficult to obtain in practice. Often they can only be obtained through court action. Tax consolidation of tax reporting/ payments by different legal entities (or grouping) are not permitted in Russia at present. Generally, dividend income payable to a foreign organisation is subject to withholding tax at 15%. This standard rate may, however, be reduced under the provisions of applicable double tax treaty.

In Russian Federation the tax regulations are subject to various comments and change frequently. Regarding to TME's operations the interpretation of tax regulations by tax authorities may differ from the management.

Hungary

The corporate tax rate effective in Hungary is 16% (31 December 2008: 16%).

Taxpayers are, in general, entitled to carry forward their tax losses indefinitely. The Tax Authority's permission is needed to carry forward the tax-year's losses if a company's pre-tax profit is negative and its income is less than 50% of its costs and expenses or the company's tax base was also negative in the previous two years.

From 1 January 2007, capital gains from the sale of registered shareholdings are tax-exempt, provided that the taxpayer has held the shareholding for at least two years prior to its disposal. The two-year holding period has been reduced to one year from 1 January 2008. Capital losses and impairments on registered shares are not deductible for corporate income tax purposes.

Since 1 January 2004, interest and royalty payments have not been subject to withholding tax. Starting from 1 January 2006 withholding tax on dividend distributions to companies was fully abolished.

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NOTE 30 - TAX ASSETS AND LIABILITIES (Continued)

Croatia

The corporate tax rate effective in Croatia is 20% (31 December 2008: 20%).

There are no formal procedures in Croatia to agree the final level of tax charge upon submission of the declaration for corporate tax and VAT. However, such tax settlements may be subject to review by the relevant tax authorities during the limitation period of three years. The limitation period of three years starts with the year that follows the year of submission of tax declarations. The counting of three years starts again with any action of tax authorities with the purpose to collect tax, interest or fines until absolute statute of limitation of 6 years expires.

Tax losses may be carried forward and used within five years following the year in which they were incurred.

When paying fees for the use of intellectual property, market research services, tax and business consultation, auditing and similar services, and interest to foreign legal persons, Croatian taxpayers are obliged to withhold and pay 15% tax.

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NOTE 31 - EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the net (loss)/income for the period by the weighted average number of ordinary shares in issue. Calculation is as follows:

	2009		2008	
	1 January - 30 June	1 April - 30 June	1 January - 30 June	1 April - 30 June
Net (loss)/profit from continuing operations	(20.824.252)	37.334.264	9.133.938	44.150.584
Net (loss)/profit of minority shareholders from continuing operations	(6.287.525)	2.068.683	21.607.765	20.639.496
Net (loss)/profit for the period attributable to equity holders of the company	(14.536.727)	35.265.581	(12.473.827)	23.511.088
Weighted average number of ordinary shares in issue (with nominal value of TL 1 each)	460.000.000	460.000.000	460.000.000	460.000.000
(Loss)/earnings per share (Kr)	(3,16)	7,67	(2,71)	5,11
Net income from discontinuing operations	-	-	59.189.458	58.830.788
Weighted average number of ordinary shares in issue (with nominal value of TL 1 each)	460.000.000	460.000.000	460.000.000	460.000.000
Earnings per share (Kr)	-	-	12,87	12,79
Net (loss)/profit for the period	(14.536.727)	35.265.581	46.715.631	82.341.876
Weighted average number of ordinary shares in issue (with nominal value of TL 1 each)	460.000.000	460.000.000	460.000.000	460.000.000
(Loss)/earnings per share (Kr)	(3,16)	7,67	10,16	17,90

There are no differences for any of the periods between (loss)/earnings per share and diluted (loss)/earnings per share.

NOTE 32 - RELATED PARTY DISCLOSURES

i) Balances with related parties:

a) Short-term due from related parties:

	30 June 2009	31 December 2008
Doğan Gazetecilik A.Ş. ("Doğan Gazetecilik")	8.522.623	10.180.754
Doğan Media	5.127.002	3.274.216
Medyanet A.Ş. ("Medyanet")	3.852.413	3.081.240
Doğan Dağıtım Satış ve Pazarlama A.Ş. ("Doğan Dağıtım")	3.770.479	2.462.713
Doğan Müzik Kitapçılık A.Ş. ("DMK")	2.862.704	2.794.431
Bağımsız Gazeteciler Yayıncılık A.Ş. ("Bağımsız Gazeteciler")	1.761.162	9.144.437
Doğan Yayın	1.565.291	-
Doğan Burda Yayıncılık ve Pazarlama A.Ş. ("Doğan Burda")	1.524.754	1.099.608
Katalog Yayın Tanıtım Hizmetleri A.Ş. ("Katalog")	1.414.448	1.068.516
Milliyet Verlags und Handels GmbH ("Milliyet Verlags")	1.322.870	1.151.197
Milta Seyahat Acentası İşletmeciliği A.Ş. ("Milta")	1.122.635	-
Doğan Portal ve Elektronik Ticaret A.Ş. ("Doğan Portal")	521.703	578.322
Other	1.686.589	1.057.640
	35.054.673	35.893.074

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NOTE 32 - RELATED PARTY DISCLOSURES (Continued)

b) Short-term due to related companies:

	30 June 2009	31 December 2008
Doğan Dış Ticaret	869.125	125.040
Doğan İletişim Elektronik Servis Hizmetleri ve Yayıncılık A.Ş. ("Doğan İletişim")	388.593	202.401
Işıl İthalat İhracat Mümessillik A.Ş. ("Işıl İthalat")	316.024	2.148.488
Petrol Ofisi A.Ş. ("Petrol Ofisi")	184.516	126.372
Doğan Yayın	-	1.960.599
Milta Seyahat Acentası İşletmeciliği A.Ş. ("Milta")	-	624.053
D-Market Elektronik Hizmetleri Ticaret A.Ş.	-	131.850
DTV Haber ve Görsel Yayıncılık A.Ş. ("Kanal D")	-	120.576
Other	762.274	771.778
	2.520.532	6.211.157

c) Advances given to related parties:

	30 June 2009	31 December 2008
Doğan Dış Ticaret	-	1.135.207
	-	1.135.207

a) Significant service and product sales to related parties:

	2009		2008	
	1 January - 30 June	1 April - 30 June	1 January - 30 June	1 April - 30 June
Doğan Dağıtım	43.888.114	23.169.133	38.169.133	18.692.984
Doğan Gazetecilik	14.846.011	7.220.812	14.490.151	7.593.105
Doğan Media	8.203.543	4.351.062	7.412.626	3.969.111
Bağımsız Gazeteciler	3.312.759	1.505.018	1.216.963	1.216.963
Medyanet	2.567.129	1.601.881	1.718.649	1.071.138
Doğan Burada	2.554.960	1.300.732	3.535.813	1.841.501
Doğan TV Holding A.Ş. ("Doğan TV")	2.376.339	1.161.677	1.906.849	1.002.970
Milliyet Verlags	1.201.929	641.616	1.206.857	633.696
Doğan Yayın	1.052.242	563.290	1.710.311	796.513
Turner Doğan Prodüksiyon A.Ş. ("Turner")	936.622	418.191	986.266	752.843
Doğan İletişim	607.391	324.778	510.702	245.094
Doğan ve Egmont Yayıncılık ve Yapımcılık Ticaret A.Ş. ("Doğan Egmont")	464.547	243.152	627.358	292.034
Eko TV	269.836	123.542	978.940	84.853
Petrol Ofisi	244.913	0	905.922	474.320
DMK	65.446	39.058	581.676	269.521
Other	2.024.715	822.454	4.082.850	2.035.380
	84.616.496	43.486.396	80.041.066	40.972.026

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NOTE 32 - RELATED PARTY DISCLOSURES (Continued)

ii) Significant transactions with related parties:

b) Significant service and product purchases from related parties:

	2009		2008	
	1 January - 30 June	1 April - 30 June	1 January - 30 June	1 April - 30 June
Doğan Dış Ticaret (*)	39.714.385	21.281.379	38.467.462	23.961.444
Işıl İthalat (*)	30.989.522	16.037.001	34.537.067	19.851.701
Doğan Dağıtım (**)	7.993.170	4.243.852	11.799.756	6.774.163
Doğan Yayın	3.259.221	1.640.081	5.699.820	2.823.798
Kanal D	2.316.171	1.380.204	8.816.156	6.000.871
Doğan İletişim	1.214.427	659.365	836.259	394.661
Star TV	1.017.276	631.221	1.232.220	68.400
Milta	724.709	353.013	3.751.309	1.974.958
Petrol Ofisi	721.847	395.107	859.535	443.393
D Yapım Reklamcılık ve Dağıtım A.Ş. ("D Yapım Reklamcılık")	338.133	264.880	1.464.935	969.138
Other	2.047.906	756.523	3.921.691	2.008.191
	90.336.767	47.642.626	111.386.210	65.270.718

(*) The Group purchases its raw materials primarily from Doğan Dış Ticaret and Işıl İthalat.

(**) Doğan Dağıtım provides newspaper distribution services to the Group. The amount of services and goods purchased from Doğan Dağıtım comprises newspaper returns, distribution and transportation expenses.

c) Other significant transactions with related parties:

Other income:	2009		2008	
	1 January - 30 June	1 April - 30 June	1 January - 30 June	1 April - 30 June
Bağımsız Gazetecilik	552.218	18.559	-	-
Doğan Dış Ticaret	437.945	278.619	360.443	180.221
Işıl İthalat	406.588	203.294	406.588	203.294
Doğan Dağıtım	292.257	143.052	283.275	141.011
Doğan Burada	240.133	138.557	248.250	131.571
Doğan Yayın	212.683	165.917	93.532	46.766
Doğan Media	205.952	110.065	161.834	84.570
Doğan İletişim	71.039	34.411	68.590	34.295
Other	702.301	315.268	228.443	109.374
	3.121.116	1.407.742	1.850.955	931.102

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NOTE 32 - RELATED PARTY DISCLOSURES (Continued)

	2009		2008	
	1 January - 30 June	1 April - 30 June	1 January - 30 June	1 April - 30 June
Other expenses:				
Petrol Ofisi	20.623	137	32.381	-
Doğan Gazetecilik	-	-	119.283	-
Doğan Factoring	-	-	472.118	280.953
Other	3.824	3.824	45.337	33.396
	24.447	3.961	669.119	314.349

	2009		2008	
	1 January - 30 June	1 April - 30 June	1 January - 30 June	1 April - 30 June
Purchase of property plant and equipment:				
D-Market	545.002	458.709	25.471	13.415
Doğan Yayın	45.075	45.075	-	-
D Yapı	-	-	210.110	-
DOL	-	-	26.840	-
Other	1.304	1.304	37.087	37.087
	591.381	505.088	299.508	50.502

	2009		2008	
	1 January - 30 June	1 April - 30 June	1 January - 30 June	1 April - 30 June
Financial expenses:				
Doğan Factoring	507.880	371.861	472.118	280.953
Doğan Yayın	201.316	536	1.233	367
Bağımsız Gazetecilik	31.495	31.495	-	-
Doğan Dağıtım	-	-	37.660	26.585
	740.691	403.892	511.011	307.905

The Group determined the key management personnel as board of directors and executive committee. Benefits provided to key management personnel consist of wage, premium, health insurance and transportation.

	2009		2008	
	1 January - 30 June	1 April - 30 June	1 January - 30 June	1 April - 30 June
Board of directors	1.397.129	725.815	811.449	468.594
Executive committee	454.714	193.263	385.360	255.493
	1.851.843	919.078	1.196.809	724.087

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NOTE 33 - FINANCIAL RISK MANAGEMENT

33.1 Financial Risk Management

(i) Interest rate risk

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

	30 June 2009	31 December 2008
Financial instruments with fixed interest rate		
Financial assets		
- <i>Designated at fair value through profit or loss (*)</i>	234.525.868	348.438.613
Financial liabilities	19.420.759	109.398.581
Financial instruments with floating interest rate		
Financial liabilities	728.624.045	794.200.720

(*) Financial assets designated at fair value through profit or loss consists of TL and foreign currency denominated time deposits with fixed interest rate and with maturity less than three months.

The Group management uses interest bearing short-term assets within natural policy context to stabilize the maturity of the interest bearing liabilities and assets. Furthermore, the Group hedges interest rate risks arising from floating rate borrowings, by limited use of derivatives, such as interest rate swaps.

At 30 June 2009 had the interest rates on USD and Euro denominated borrowings been 100 basis point higher/lower with all other variables held constant, mainly as a result of higher/lower interest expense on floating rate borrowings; net income for the period before tax and minority would have been lower/higher by TL 841.037 (30 June 2008: TL 566.032).

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NOTE 33 - FINANCIAL RISK MANAGEMENT (Continued)

(ii) Liquidity risk

The table below shows the liquidity risk arises from financial liabilities of the Group:

30 June 2009	Carrying value	Total contractual cash outflow	Less than 3 months	3-12 months	1-5 years	More than 5 years
Non-derivative financial liabilities						
Financial liabilities	748.044.804	791.755.792	52.721.921	172.925.073	561.729.025	4.379.773
Other financial liabilities	18.033.759	18.033.759	-	12.669.228	5.364.531	-
Trade payables						
- Related party	2.520.532	2.520.532	2.520.532	-	-	-
- Other	37.755.203	37.755.203	37.755.203	-	-	-
Other payables						
- Related party	-	-	-	-	-	-
- Other	17.277.684	17.277.684	17.086.421	-	191.263	-
31 December 2008	Carrying value	Total contractual cash outflow	Less than 3 months	3-12 months	1-5 years	More than 5 years
Non-derivative financial liabilities						
Financial liabilities	903.599.301	983.127.947	146.187.880	159.073.025	674.442.779	3.424.263
Other financial liabilities	19.729.466	20.567.280	-	14.215.620	6.351.660	-
Trade payables						
- Related party	6.211.157	6.211.157	6.211.157	-	-	-
- Other	38.813.109	38.813.109	38.813.109	-	-	-
Other payables						
- Related party	-	-	-	-	-	-
- Other	15.757.295	15.757.295	15.568.257	-	189.038	-

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NOTE 33 - FINANCIAL RISK MANAGEMENT (Continued)

(ii) Liquidity risk (Continued)

Prudent 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.

Funding risk of current and future debt requirements is managed by continuance of sufficient and highly qualified creditor's access. The Group aims at maintaining cash and cash equivalents for the anticipated cash flows of raw material purchase for the subsequent six-months.

The liquidity table demonstrates the Group's net financial liabilities in accordance with the redemption schedule. Such amounts are undiscounted future cash flows of financial liabilities of the Group. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

At 30 June 2009 the Group has long-term financial liabilities amounting to TL 442.299.845 (31 December 2008: TL 537.552.557) and long-term trade payables amounting to TL 88.888.568 (31 December 2008: TL 86.094.672) (Note 7). The Group has no marketable securities with a maturity over one year at 30 June 2009 (31 December 2008: None) (Note 6).

(iii) Credit Risk

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

Aging analysis for trade receivables:

As of 30 June 2009 there are trade receivables amounting to TL 51.427.834 (31 December 2008: TL 52.265.614) past due but not impaired. The Group does not foresee any collection risk for the delay up to one month due to the dynamics and circumstances of the market. The Group restructures its trade receivables and accordingly does not foresee any collection risk for its trade receivables by charging due date differences which are due over one month and/or holding collaterals such as mortgages, bails and guarantee letters.

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NOTE 33 - FINANCIAL RISK MANAGEMENT (Continued)

(iii) Credit Risk (Continued)

As of 30 June 2009 and 31 December 2008, aging analysis for trade receivables that are past due but not impaired are as follows:

	30 June 2009		31 December 2008	
	Related party	Other receivables	Related party	Other receivables
0-1 months	1.988.451	15.794.092	833.543	18.023.894
1-3 months	3.226.258	8.118.478	316.044	10.937.072
3-6 months	3.276.928	5.365.251	957.279	5.800.697
6-12 months	305.968	5.625.028	5.915.327	2.327.315
1-2 years	-	7.727.380	2.639.937	4.514.506
	8.797.605	42.630.229	10.662.130	41.603.484

As of 30 June 2009 and 31 December 2008, aging analysis for trade receivables that are past due and impaired is as follows:

	30 June 2009	31 December 2008
<i>Impaired</i>		
Past due 0 - 3 months	1.073.802	2.873.413
Past due 3 - 6 months	3.544.953	914.567
Past due 6 months and over	33.501.124	28.871.337
Less: Provision for impairment	(38.119.879)	(32.659.317)
	-	-

There are no due from related party that are past due and impaired. There are no trade receivables that are not due but impaired.

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NOTE 33 - FINANCIAL RISK MANAGEMENT (Continued)

The Group's credit risk of financial instruments as of 30 June 2009 is as follows:

30 June 2009	Trade receivables		Other receivables		Bank deposits	Derivative instruments
	Related party	Other	Related party	Other		
Maximum credit risk exposure as of balance sheet date	35.054.673	141.517.852	-	3.302.186	260.969.224	-
- <i>The part of maximum credit risk under guarantee with collateral</i>	-	29.538.537	-	-	-	-
A. Net book value of financial assets that are not past due/impaired	26.257.068	98.887.623	-	3.302.186	260.969.224	-
B. Net book value of financial assets that are negotiated, if not that will be accepted as past due or impaired	-	-	-	-	-	-
C. Carrying value of financial assets that are past due but not impaired	8.797.605	42.630.229	-	-	-	-
- <i>The part under guarantee with collateral</i>	-	3.393.537	-	-	-	-
D. Net book value of impaired asset						
- Past due (gross carrying amount)	-	38.119.879	-	-	-	-
- Impairment (-)	-	(38.119.879)	-	-	-	-
- The part of net value under guarantee with collateral	-					
- Not over due (gross carrying amount)	-	-	-	-	-	-
- Impairment (-)	-	-	-	-	-	-
- The part of net value under guarantee with collateral	-	-	-	-	-	-
E. Off-balance sheet items with credit risk						

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NOTE 33 - FINANCIAL RISK MANAGEMENT (Continued)

The Group's credit risk of financial instruments as of 31 December 2008 is as follows:

31 December 2008	Trade receivables		Other receivables		Bank deposits	Derivative instruments
	Related party	Other	Related party	Other		
Maximum credit risk exposure as of balance sheet date	35.893.074	158.380.813	-	16.993.849	369.331.911	-
- <i>The part of maximum credit risk under guarantee with collateral</i>	-	32.336.169	-	-	-	-
A. Net book value of financial assets that are not past due/impaired	25.230.944	116.777.329	-	16.993.849	369.331.911	-
B. Net book value of financial assets that are negotiated, if not that will be accepted as past due or impaired	-	-	-	-	-	-
C. Carrying value of financial assets that are past due but not impaired	10.662.130	41.603.484	-	-	-	-
- <i>The part under guarantee with collateral</i>	-	<i>5.991.169</i>	-	-	-	-
D. Net book value of impaired asset						
- Past due (gross carrying amount)	-	32.659.317	-	-	-	-
- Impairment (-)	-	(32.659.317)	-	-	-	-
- The part of net value under guarantee with collateral	-	-	-	-	-	-
- Not over due (gross carrying amount)	-	-	-	-	-	-
- Impairment (-)	-	-	-	-	-	-
- The part of net value under guarantee with collateral	-	-	-	-	-	-
E. Off-balance sheet items with credit risk						

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NOTE 33 - FINANCIAL RISK MANAGEMENT (Continued)

(iv) Foreign currency risk

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

The foreign exchange risk mainly arises from the impact of rate changes in the translation of the Group's foreign currency denominated borrowings which are obtained to fund capital expenditures in domestic and overseas operations. The risk is monitored in regular meetings. The Group maintains a certain portion of its excess cash and cash equivalents in foreign currency to minimize the currency risk exposure.

The Group's risk management policy for currency risk is to maintain sufficient liquid assets for the anticipated cash flows of raw material purchase and borrowing repayment amounts in each major foreign currency for the subsequent three to six months. However, this policy should be revised by the management when deemed necessary, according to market conditions.

TL equivalents of assets and liabilities denominated in foreign currencies at 30 June 2009 and 31 December 2008 are as follows:

	30 June 2009	31 December 2008
Assets	228.721.224	318.394.991
Liabilities	(811.030.312)	(964.275.645)
Net foreign currency position	(582.309.088)	(645.880.654)

Following exchange rates have been used in the translation of foreign currency denominated balance sheet items as of 30 June 2009: TL 1,5301=USD 1 and TL 2,2258=Euro 1 (31 December 2008: TL 1,5123=USD 1 and TL 2,1469 TL=Euro 1).

	30 June 2009	31 December 2008
Total export amount (TL)	-	-
Total import amount (TL)	-	-

The Group uses financial instruments such as forward and option agreements to manage foreign currency risk arising on the Group's assets and liabilities denominated in foreign currencies as of 30 June 2009 and 31 December 2008 (Note 19 and 21). Assets denominated in foreign currency amounting TL 228.721.224 as of 30 June 2009, protected to 25% naturally by the existence of liabilities denominated in foreign currency amounting TL 811.030.312. Assets denominated in foreign currency amounting TL 318.394.991 as of 31 December 2008, protected to 33% naturally by the existence of liabilities denominated in foreign currency amounting to TL 964.275.645.

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NOTE 33 - FINANCIAL RISK MANAGEMENT (Continued)

(iv) Foreign currency risk (Continued)

The table below summarizes the foreign currency position risk as of 30 June 2009 and 31 December 2008. The carrying amount of foreign currency denominated assets and liabilities of the Group are as follows:

30 June 2009

	USD Original amount	TL	Euro Original amount	TL	Other TL	Total
Assets:						
Cash and cash equivalents	76.270.565	116.701.592	10.680.287	22.929.509	21.829.605	161.460.706
Trade receivables	349.613	534.943	4.384.442	9.412.958	11.615.383	21.563.284
Financial investments	12.192.520	18.655.775	-	-	-	18.655.775
Other receivables and current assets	916.000	1.401.572	10.691	22.952	24.045.522	25.470.046
Other non-current assets	-	-	-	-	1.571.413	1.571.413
	89.728.698	137.293.882	15.075.420	32.365.419	59.061.923	228.721.224
Liabilities:						
Short-term portion of long-term financial liabilities	100.472.889	153.733.568	20.173.672	43.310.856	16.546.182	213.590.606
Trade payables	2.321.137	3.551.572	2.124.466	4.561.015	12.687.589	20.800.176
Other payables and short-term liabilities	904.000	1.383.210	299.171	642.291	35.083.663	37.109.164
Long-term financial liabilities	265.874.152	406.814.040	37.687.820	80.911.980	46.367.904	534.093.924
Other non-current liabilities	1.292.000	1.976.889	-	-	3.459.553	5.436.442
	370.864.178	567.459.279	60.285.129	129.426.142	114.144.891	811.030.312
Net foreign currency position	(281.135.480)	(430.165.397)	(45.209.709)	(97.060.723)	(55.082.968)	(582.309.088)

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NOTE 33 - FINANCIAL RISK MANAGEMENT (Continued)

(iv) Foreign currency risk (Continued)

31 December 2008

	USD Original amount	TL	Euro Original amount	TL	Other TL	Total
Assets:						
Cash and cash equivalents	137.313.859	207.659.749	17.939.468	38.404.813	19.503.111	265.567.673
Trade receivables	290.390	439.157	4.828.736	10.337.358	16.008.071	26.784.586
Other receivables	833.000	1.259.746	27.983	59.905	24.276.952	25.596.603
Other current assets	-	-	3.532	7.562	438.567	446.129
	138.437.249	209.358.652	22.799.719	48.809.638	60.226.701	318.394.991
Liabilities:						
Short-term portion of long-term financial liabilities	156.669.806	236.931.747	8.960.838	19.183.363	17.036.836	273.151.946
Trade payables	1.962.371	2.967.695	3.826.839	8.192.497	11.527.070	22.687.262
Other payables and short-term liabilities	1.205.000	1.822.322	357.051	764.374	31.484.573	34.071.269
Long-term financial liabilities	315.354.463	476.910.554	44.617.768	95.517.718	55.509.621	627.937.893
Other non-current liabilities	1.140.000	1.724.022	-	-	4.703.253	6.427.275
	476.331.640	720.356.340	57.762.496	123.657.952	120.261.353	964.275.645
Net foreign currency position	(337.894.391)	(510.997.688)	(34.962.777)	(74.848.314)	(60.034.652)	(645.880.654)

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NOTE 33 - FINANCIAL RISK MANAGEMENT (Continued)

(iv) Foreign currency risk (Continued)

The Group is majorly exposed to foreign currency risk of USD, Euro and CHF.

30 June 2009	Profit/Loss	
	Foreign currency appreciation	Foreign currency depreciation
If the US dollar had changed by 10% against TL		
USD net (liabilities)/assets	(46.660.565)	46.660.565
Hedging amount of USD	-	-
USD net effect on (loss)/income	(46.660.565)	46.660.565
If the EUR had changed by 10% against TL		
Euro net (liabilities)/assets	(8.273.431)	8.273.431
Hedging amount of Euro	-	-
Euro net effect on (loss)/income	(8.273.431)	8.273.431
If the CHF had changed by 10% against TL		
CHF denominated net (liabilities)/assets	(6.225.423)	6.225.423
Hedging amount of CHF	-	-
CHF net effect on (loss)/income	(6.225.423)	6.225.423
31 December 2008	Profit/Loss	
	Foreign currency appreciation	Foreign currency depreciation
If the US dollar had changed by 10% against TL		
USD net (liabilities)/assets	(56.311.728)	56.311.728
Hedging amount of USD	-	-
USD net effect on (loss)/income	(56.311.728)	56.311.728
If the EUR had changed by 10% against TL		
Euro net (liabilities)/assets	(5.716.264)	5.716.264
Hedging amount of Euro	-	-
Euro net effect on (loss)/income	(5.716.264)	5.716.264
If the CHF had changed by 10% against TL		
CHF denominated net (liabilities)/assets	(7.217.751)	7.217.751
Hedging amount of CHF	-	-
CHF net effect on (loss)/income	(7.217.751)	7.217.751

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NOTE 33 - FINANCIAL RISK MANAGEMENT (Continued)

33.2 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 have been determined by the Group using available market information and appropriate valuation methodologies. However, judgement 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 realise in a current market exchange

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

(i) Monetary assets

The fair value of the balances denominated in foreign currencies, which are translated by using the exchange rates prevailing at year-end, is considered to approximate carrying value.

The fair values of certain financial assets carried at cost where the fair values cannot be measured reliably, including cash and cash equivalents, are considered to approximate their respective carrying values due to their short-term nature and is negligible impairment risk of the receivables.

The carrying value of trade receivables measured at amortised cost using the effective interest method, less provision for impairment are assumed to approximate their fair values.

(ii) Monetary liabilities

The carrying values of trade payables are assumed to approximate their fair values. The carrying values of long-term borrowings (Note 7), trade payables to suppliers (Note 7) and other long term financial liabilities (Note 8) approximate their carrying values as the effect of the discounting is not material.

33.3 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 in accordance with the CMB regulations, issue new shares or sell assets to decrease borrowing. There are covenants related with the bank borrowings stated in Note 7 which the Group has to fulfil net debt/equity ratio as stated in the contracts' of the related bank borrowings.

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NOTE 34 - SUBSEQUENT EVENTS

The Company's Board of Directors decided to increase issued capital from TL 460.000.000 to TL 552.000.000 within the registered capital amounting to TL 800.000.000, as fully paid in cash as of 2 June 2009. The increase in share capital with nominal value of TL 92.000.000 is registered by the "CMB" with the decision number 35.

Within the scope of capital increase, the exercise of new share acquisition rights was realised between 5 August 2009 and 19 August 2009, and out of a total issued shares with nominal value of TL 92.000.000, share acquisition rights for the portion corresponding to TL 91.829.036 were exercised. Total nominal value of the unexercised share acquisition rights equals TL 170.963 and accounts for 0,19% of the total shares offered for acquisition, in the amount TL 92.000.000. Shares remaining after the exercise of new share acquisition rights and equalling a nominal value of TL 170.963 were offered for sale on the Primary Market of the Istanbul Stock Exchange and all were sold on 25 August 2009.

With regards to the tax reviews in connection with the Group's prior accounting periods, the tax inspection reports issued by the Ministry of Finance on 7 August 2009 imposed payment of a tax principal of TL12.292.167, a tax loss penalty of TL 12.292.167 and a special irregularity penalty of TL 165.000. The declarations to be made by the tax office with respect to such tax inspection reports of the Ministry of Finance are expected as of the approval date of these financial statements.

The Group has determined that the practices criticised in the tax inspection reports are in compliance with legislation and the communiqués, circulars and previous assessments of the Ministry of Finance, and that the Group will use its legal rights as well as the way of settlement with the tax office with respect to relevant criticisms.

In accordance with the opinions of the Group's legal counsel and tax experts and taking into account the principle of prudence, the Group management has recorded a provision at an amount of TL15.209.000 in these consolidated financial statements for the six-month interim period ended 30 June 2009 with respect to tax principal and tax loss penalty discussed in the tax inspection reports and the estimated late payment interest thereon. The Group has estimated this provision amount in accordance with the opinions of its legal counsel and tax experts. However, a discrepancy between the realised amounts and the provision remains possible.

Due to tax principal and tax penalty notices communicated by the Tax Office, the shares that Doğan Yayın Holding A.Ş. has in the share capital of Hürriyet Gazetecilik ve Matbaacılık A.Ş. at a rate of 66,56% and which are maintained in the export/investment accounts of the Central Registry Institution and Intermediary Institution have been made inactive, hence restricting their transfer. As already stated to the public by Doğan Yayın Holding A.Ş., valuation work is still ongoing in relation to collateral designated by Doğan Yayın Holding A.Ş. for the purpose of removing the cautionary attachment practice implemented by Tax Office.

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NOTE 35 - CASH FLOWS

The details of changes in operating assets and liabilities at consolidated statement of cash flows for the periods ended 30 June are as follows:

	30 June 2009	30 June 2008
Change in blocked deposits and time deposits with more than three months	(173.613)	4.447
Change in trade receivables and due from related parties	11.835.087	(14.497.650)
Change in financial investments	(18.655.775)	196.824
Change in inventories	1.590.044	(5.528.304)
Change in other current assets	12.268.473	(5.226.978)
Change in other financial liabilities	(620.634)	6.024.540
Change in trade payables and due to related parties	(4.748.531)	7.211.168
Change in other current liabilities	3.988.796	(12.180.619)
Change in other non-current assets	5.855.197	(871.406)
	11.339.044	(24.867.978)