HÜRRİYET GAZETECİLİK VE MATBAACILIK A.Ş.

**CONVENIENCE TRANSLATION OF THE
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE INTERIM PERIOD 1 JANUARY – 30 SEPTEMBER 2013
INTO ENGLISH**

(ORIGINALLY ISSUED IN TURKISH)

HÜRRİYET GAZETECİLİK VE MATBAACILIK A.Ş.

CONSOLIDATED FINANCIAL STATEMENTS AND NOTES FOR THE INTERIM PERIOD 1 JANUARY - 30 SEPTEMBER 2013

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HÜRRİYET GAZETECİLİK VE MATBAACILIK A.Ş.

CONSOLIDATED BALANCE SHEETS AS AT 30 SEPTEMBER 2013

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

	Note references	(Unaudited) Current Period 30 September 2013	Restated (Audited) Prior Period 31 December 2012	Restated (Audited) Prior Period 31 December 2011
ASSETS				
Current assets		**428.441.132**	**460.821.654**	**553.169.468**
Cash and cash equivalents	5	84.390.100	113.469.192	281.604.096
Trade receivables		210.452.935	214.540.446	142.270.992
-Due from related parties	34	31.027.216	21.915.410	21.769.432
-Trade receivables from non-related parties	9	179.425.719	192.625.036	120.501.560
Other receivables		88.183.252	77.513.017	496.145
-Due from related parties	34	5.420.990	2.992.773	-
-Other receivables from non-related parties	10	82.762.262	74.520.244	496.145
Inventories	12	15.981.340	19.396.759	18.571.696
Prepaid expenses	21	8.272.547	5.312.984	7.155.270
Assets related with current tax		2.965.513	18.977.244	7.735.578
Derivative instruments	8	-	573.393	-
Other current assets	22	13.623.795	11.038.619	14.648.372
Subtotal		**423.869.482**	**460.821.654**	**472.482.149**
Non-current assets held for sale	15	4.571.650	-	80.687.319
Non-current assets		**1.015.700.678**	**1.092.027.793**	**1.097.722.523**
Other receivables	10	8.493.016	62.460.105	910.363
Financial investments	6	2.230.453	2.227.330	4.534.498
Investments accounted by the equity method	13	13.747.725	5.258.016	7.423.271
Investment property	14	46.079.209	50.051.137	42.320.984
Property, plant and equipment	15	282.194.082	308.448.007	336.713.652
Intangible assets		645.934.531	647.854.280	685.533.582
-Goodwill	16	114.884.913	118.374.132	136.195.646
-Other intangible assets	16	531.049.618	529.480.148	549.337.936
Deferred tax assets	32	16.052.296	14.489.554	13.524.076
Other non-current assets	22	969.366	1.239.364	6.762.097
Total assets		**1.444.141.810**	**1.552.849.447**	**1.650.891.991**

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

CONSOLIDATED BALANCE SHEETS AS AT 30 SEPTEMBER 2013

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

.

	Note references	(Unaudited) Current Period 30 September 2013	Restated (Audited) Prior Period 31 December 2012	Restated (Audited) Prior Period 31 December 2011
LIABILITIES				
Current liabilities		**429.983.013**	**439.474.696**	**549.788.007**
Short-term borrowings	7	21.176.281	46.048.788	56.395.501
Short-term portion of Long-term borrowings	7	280.598.837	249.699.732	208.789.989
Other financial liabilities	8	16.273.600	18.207.476	66.438.280
Trade payables		53.432.561	56.129.958	55.397.803
-Trade payables to related parties	34	6.968.459	4.924.909	11.972.022
-Other payables to non-related parties	9	46.464.102	51.205.049	43.425.781
Employee benefit payables	11	14.027.055	10.104.003	13.740.128
Other payables		585.212	702.231	101.871.294
-Other to related parties	34	54.098	-	97.434.767
-Other payables to non-related parties	10	531.114	702.231	4.436.527
Deferred income		10.022.070	9.081.379	11.072.505
Current income tax liabilities	32	1.248.999	18.124.177	638.448
Short-term provisions		20.932.362	18.517.443	18.244.040
-Short-term provisions for employment benefits	18	16.887.815	14.836.862	15.430.714
-Other short-term provisions	18	4.044.547	3.680.581	2.813.326
Current tax payables		3.106.495	8.700.446	10.193.202
Derivative financial instruments	8	3.209.825	-	299.825
Other current liabilities	22	5.369.716	4.159.063	6.706.992
Non-current liabilities		**264.171.679**	**365.701.496**	**490.988.711**
Long-term borrowings	7	113.785.299	208.378.761	337.956.619
Other payables	10	304.846	170.675	132.529
Long-term provisions				
-Long-term provisions for employment benefits	20	44.394.862	44.563.930	26.158.276
Deferred tax liability	32	105.643.954	112.550.695	118.308.979
Other non-current liabilities		42.718	37.435	8.432.308

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

CONSOLIDATED BALANCE SHEETS AS AT 30 SEPTEMBER 2013

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

	Note references	(Unaudited) Current Period 30 September 2013	Restated (Audited) Prior Period 31 December 2012	Restated (Audited) Prior Period 31 December 2011
EQUITY				
Total equity		**749.987.118**	**747.673.255**	**610.115.273**
Equity attributable to equity holders of the parent company		**690.222.332**	**682.436.911**	**529.035.097**
Share capital	23	552.000.000	552.000.000	552.000.000
Inflation adjustment to share capital	23	77.198.813	77.198.813	77.198.813
Items that will not be reclassified subsequently to profit or loss				
-Actuarial losses in defined benefit plan		(13.610.662)	(13.610.662)	-
Share premiums		76.944	76.944	76.944
Items that may be reclassified subsequently to profit or loss				
-Currency translation differences		74.362.664	58.584.776	57.382.651
Restricted reserves	23	167.305.861	34.266.877	34.266.877
(Accumulated losses) / retained earnings		(146.003.035)	(176.742.465)	42.086.198
Net (loss) / income for the period		(21.108.253)	150.662.628	(233.976.386)
Non-controlling interests		**59.764.786**	**65.236.344**	**81.080.176**
Total liabilities		**1.444.141.810**	**1.552.849.447**	**1.650.891.991**

These consolidated financial statements as at and for the period ended 30 September 2013 were approved by the Board of Directors on 7 November 2013.

HÜRRİYET GAZETECİLİK VE MATBAACILIK A.Ş.

CONSOLIDATED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2013

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

	Note references	Current period *Unaudited* 1 January- 30 September 2013	Current period *Unaudited* 1 July- 30 September 2013	(Restated) Prior period *Unaudited* 1 January- 30 September 2012	(Restated) Prior period *Unaudited* 1 July- 30 September 2012
Sales	24	615.251.285	191.939.872	625.907.985	195.315.244
Cost of sales (-)	24	(381.990.334)	(126.303.732)	(385.549.186)	(121.180.940)
Gross profit		**233.260.951**	**65.636.140**	**240.358.799**	**74.134.304**
General administrative expenses(-)	25	(112.344.682)	(38.872.102)	(113.626.281)	(35.888.428)
Marketing, selling and distribution expenses(-)	25	(103.395.201)	(30.964.141)	(101.640.648)	(30.831.777)
Other operating income	27	51.720.742	17.679.923	87.580.912	18.553.793
Other operating expenses (-)	28	(28.671.621)	(10.495.368)	(34.279.471)	(2.053.574)
Operating profit		**40.570.189**	**2.984.452**	**78.393.311**	**23.914.318**
Share of loss of investments accounted by the equity method	13	(4.329.777)	836.369	(7.686.696)	(1.993.131)
Monetary gain / (loss)		61.472	(31)	-	-
Income from investing activities	29	10.180.336	1.109.073	169.522.403	3.502.800
Expenses from investing activities (-)	30	(10.928.407)	(1.063.783)	(12.520.089)	(663.425)
Operating profit before finance expense		**35.553.813**	**3.866.080**	**227.708.929**	**24.760.562**
Finance expenses (-)	31	(74.272.061)	(22.676.330)	(56.253.216)	(10.329.800)
(Loss)/ profit before tax		**(38.718.248)**	**(18.810.250)**	**171.455.713**	**14.430.762**
Tax benefit / (expense)		**10.554.806**	**10.292.859**	**(14.803.168)**	**(3.206.972)**
Current tax (expense) / benefit	32	(5.064.963)	1.155.633	(20.179.605)	(2.688.112)
Deferred tax benefit	32	15.619.769	9.137.226	5.376.437	(518.860)
Net (loss) / profit for the period		**(28.163.442)**	**(8.517.391)**	**156.652.545**	**11.223.790**
Allocation of net (loss) / profit for the period					
Attributable to non-controlling interests		(7.055.189)	493.246	(566.688)	2.136.768
Attributable to equity holders of the parent company		(21.108.253)	(9.010.637)	157.219.233	9.087.022
Other comprehensive income / (expense):					
Net (loss) / profit for the period		**(28.163.442)**	**(8.517.391)**	**156.652.545**	**11.223.790**
Items that may be reclassified subsequently to profit or loss					
-Change in translation reserves		19.347.330	14.577.852	(23.201.208)	11.701.371
Other comprehensive income / (loss) after tax		**19.347.330**	**14.577.852**	**(23.201.208)**	**11.701.371**
Total comprehensive (loss) / income		**(8.816.112)**	**6.060.461**	**133.451.337**	**22.925.161**
Allocation of total comprehensive (expense)/ income					
Attributable to non-controlling interests		(3.485.747)	2.465.084	(6.244.240)	3.669.484
Attributable to equity holders of the parent company		(5.330.365)	3.595.377	139.695.577	19.255.677
(Loss) / earnings per share (TL)	**33**	**(0,0382)**	**(0,0163)**	**0,2848**	**0,0165**

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

HÜRRİYET GAZETECİLİK VE MATBAACILIK A.Ş.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY AS AT 30 SEPTEMBER 2013

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

	Note references	Share capital	Inflation adjustment to share capital	Share premiums	Translation currency differences	Items will not be reclassified subsequently to profit or loss Actuarial losses in defined benefit plan	Restricted reserves	Retained earnings / (accumulated losses)	Net profit / (loss) for the period	Equity attributable to equity holders of the parent company	Non-controlling interests	Total equity
Balances at 1 January 2012 (as previously reported)	**23**	**552.000.000**	**77.198.813**	**76.944**	**57.382.651**	**-**	**34.266.877**	**28.856.851**	**(235.684.263)**	**514.097.873**	**81.080.176**	**595.178.049**
Effect of change in accounting policy (Note 2.1.6)		-	-	-	-	-	-	13.229.347	1.707.877	14.937.224	-	14.937.224
Balances at 1 January 2012 (as restated)		**552.000.000**	**77.198.813**	**76.944**	**57.382.651**	**-**	**34.266.877**	**42.086.198**	**(233.976.386)**	**529.035.097**	**81.080.176**	**610.115.273**
Transfer		-	-	-	-	-	-	(233.976.386)	233.976.386		-	-
Capital increase of subsidiary		-	-	-	-	-	-	-	-	-	4.014.072	4.014.072
Subsidiaries' dividend payments to non-group companies		-	-	-	-	-	-	-	-	-	(2.524.815)	(2.524.815)
Put-option adjustment for non-controlling interests		-	-	-	-	-	-	35.114.191	-	35.114.191	12.017.025	47.131.216
Other (1)		-	-	-	-	-	-		-		447.609	447.609
Purchase of subsidiary shares (Note 2.1.3)		-	-	-		-		(19.966.468)	-	(19.966.468)	(25.846.158)	(45.812.626)
Total comprehensive income		-	-	-	(17.523.656)	-	-	-	157.219.233	139.695.577	(6.244.240)	133.451.337
- Change in translation reserves		-	-	-	(17.523.656)		-	-	-	(17.523.656)	(5.677.552)	(23.201.208)
- Net profit for the period		-	-	-	-	-	-	-	157.219.233	157.219.233	(566.688)	156.652.545
Balances at 30 September 2012		**552.000.000**	**77.198.813**	**76.944**	**39.858.995**	**-**	**34.266.877**	**(176.742.465)**	**157.219.233**	**683.878.397**	**62.943.669**	**746.822.066**
Balances at 1 January 2013	**23**	**552.000.000**	**77.198.813**	**76.944**	**58.584.776**	**(13.610.662)**	**34.266.877**	**(176.742.465)**	**150.662.628**	**682.436.911**	**65.236.344**	**747.673.255**
Transfer		-	-	-	-	-	133.038.984	17.623.644	(150.662.628)	-	-	-
Subsidiaries' dividend payments to non-group companies		-	-	-	-	-	-	-	-	-	(2.511.094)	(2.511.094)
Other (1)		-	-	-	-	-	-	-	-	-	525.283	525.283
Disposal of associate (2)		-	-	-	-	-	-	13.115.786	-	13.115.786	-	13.115.786
Total comprehensive expense		-	-	-	15.777.888	-	-	-	(21.108.253)	(5.330.365)	(3.485.747)	(8.816.112)
- Change in translation reserves		-	-	-	15.777.888	-	-	-	-	15.777.888	3.569.442	19.347.330
- Net loss for the period		-	-	-	-	-	-	-	(21.108.253)	(21.108.253)	(7.055.189)	(28.163.442)
Balances at 30 September 2013	**23**	**552.000.000**	**77.198.813**	**76.944**	**74.362.664**	**(13.610.662)**	**167.305.861**	**(146.003.035)**	**(21.108.253)**	**690.222.332**	**59.764.786**	**749.987.118**

(1)Represents fair value changes of put option liabilities and acquisition and disposal of shares from non-controlling shareholders.
(2)Represents disposal of Kanal D Romania which was consalidated by the equity method at 30 September 2013.

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

HÜRRİYET GAZETECİLİK VE MATBAACILIK A.Ş.

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE INTERIM PERIOD ENDED 30 SEPTEMBER 2013

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

	Note references	Current Period (Unaudited) 1 January- 30 September 2013	Prior Period (Unaudited) 1 January- 30 September 2012
CASH FLOWS FROM OPERATING ACTIVITIES		**126.647.596**	**(50.554.682)**
Net (loss) / profit for the period		(28.163.442)	156.652.545
Adjustments to reconcile net (loss) / profit for the period		**115.816.541**	**(57.356.197)**
Adjustments regarding depreciation	15	35.185.663	34.446.765
Adjustments regarding amortization	16	23.634.044	23.078.839
Adjustments regarding loss / (gain) on sale of plant,property and equipment, intangible assets		3.379.408	(139.251.009)
Adjustments regarding tax (income) / expense	32	(10.554.806)	14.803.168
Adjustments regarding provision for employment benefits and unused vacation rights	18,20	10.781.638	10.875.529
Adjustments regarding income accruals	9	(1.073.021)	(1.006.764)
Adjustments regarding interest income	27	(3.828.705)	(3.717.923)
Finance income/expense accruals due from sales with maturity	27,28	(2.435.637)	(7.400.045)
Unrealized finance expenses due to purchases with maturity	27	(170.838)	(71.654)
Adjustments regarding interest expenses and accruals	31	18.639.764	23.840.893
Unrealized foreign exchange expense / (income) from borrowings		34.020.941	(21.521.305)
Changes in fair value adjustments	14	(3.154.016)	(2.974.558)
Adjustments regarding increase in deferred income		(587.492)	(672.180)
Accrual of tax penalties and tax base increase expense		-	416.353
Adjustments regarding provision for impairment of inventories	12	601.101	1.318.842
Loss from investments accounted by the equity method	13	4.329.777	7.686.696
Provision for doubtful receivables	28	6.210.090	5.366.873
Provision for lawsuits	18	743.314	756.930
Reversal of provisions		(3.080.796)	(3.331.647)
Loss on sale of subsidiary	30,35	3.176.112	-
Changes in working capital:		**38.994.497**	**(149.851.030)**
Changes in blocked deposits	5	3.280	5.845
Changes in trade and related party receivables		(16.124.760)	(105.091.349)
Changes in inventories		2.868.780	(1.191.934)
Changes in prepaid expenses		(2.959.563)	(1.743.277)
Changes in other current assets		47.651.276	292.028
Changes in other financial assets and liabilities		3.783.218	(4.233.747)
Changes in trade and related party payables		5.814.452	(3.187.134)
Changes in other short term liabilities		(3.850.509)	(211.935)
Changes in other non-current assets		6.035.242	2.991.677
Changes in payables due from employment benefits		3.923.052	(1.529.779)
Changes in deferred revenue		940.691	1.091.671
Changes in short-term provisions for employment benefits		2.050.953	(2.519.972)
Taxes paid		(4.499.905)	(15.468.688)
Tax penalty paid and tax base increase		-	(8.795.894)
Collections from doubtful receivables	9	2.449.495	2.056.151
Employment benefits and unused vacation rights paid	18, 20	(9.091.133)	(12.314.693)

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

HÜRRİYET GAZETECİLİK VE MATBAACILIK A.Ş.

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE INTERIM PERIOD ENDED 30 SEPTEMBER 2013
(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

	Note references	Current Period (Unaudited) 1 January- 30 September 2013	Prior Period (Unaudited) 1 January- 30 September 2012
CASH FLOWS FROM INVESTING ACTIVITIES		**4.458.261**	**57.527.558**
Purchases of property, plant and equipment	15	(10.073.862)	(39.181.977)
Purchases of intangible assets	16	(5.352.503)	(6.434.075)
Proceeds from sales of property, plant and equipment, intangible assets and investment properties		10.917.924	87.541.178
Interests received		11.235.033	12.351.630
Proceeds from disposal of subsidiary		2.969.613	-
Changes in business advance		(5.237.944)	3.246.908
Share capital increase in investments accounted by the equity method		-	3.894
CASH FLOWS FROM FINANCING ACTIVITIES		**161.544.334)**	**(196.919.931)**
Increase in share capital of non-controlling interests		-	4.014.072
Purchase of subsidiary shares		-	(45.812.626)
Dividends paid to non-controlling interests		(2.511.093)	(2.524.815)
Bank borrowings received		6.749.673	129.420.461
Bank borrowings paid		(125.159.368)	(145.770.544)
Decrease in financial liabilities to suppliers		(21.555.089)	(14.190.826)
Interests paid		(19.068.457)	(24.620.886)
Changes in financial payables to related parties		-	(97.434.767)
Effects of foreign exchange rate fluctuations on cash and cash equivalents		1.198.509	(2.865.033)
Change in cash and cash equivalents		(29.239.968)	(192.812.088)
Cash and cash equivalents at the beginning of the period	**5**	**113.324.286**	**281.056.151**
Cash and cash equivalents at the end of the period	**5**	**84.084.318**	**88.244.063**

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

(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 which undertakes journalism, printing, advertising and internet publishing activities operates seven printing plants in Turkey with locations in İstanbul, Ankara, İzmir, Adana, Antalya, Trabzon and in Germany. 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 Holding"), which has a majority ownership in the Company (Note 23). Aydın Doğan and Doğan Family (Işıl Doğan, Arzuhan Yalçındağ, Vuslat Sabancı, Hanzade V. Doğan Boyner and Y.Begümhan Doğan Faralyalı) are ultimate shareholders of the Company.

The address of the registered office is as follows:

100. Yıl Mahallesi, Matbaacılar Caddesi No:78
34204 Bağcılar/İstanbul
Turkey

The Company is registered to the Capital Markets Board ("CMB") and its shares have been quoted on the Borsa İstanbul ("BIST") since 25 February 1992. In accordance with the resolution numbered 21/655 on 23 July 2010 of CMB; according to the records of Central Registry Agency (CRA); shares representing 21,96 % as of 30 September 2013 (31 December 2012: 20,87%) of Hürriyet are accepted as "in circulation". Shares representing 40,00% of Hürriyet are in "open" status.

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
Yenibiriş İnsan Kaynakları Hizmetleri Danışmanlık ve Yayıncılık A.Ş. ("Yenibir")	Turkey	Turkey	Internet publishing
Doğan Haber Ajansı A.Ş. ("Doğan Haber")	Turkey	Turkey	News agency
Nartek Bilişim Turizm ve Pazarlama Hizmetleri Ticaret A.Ş. ("Nartek")	Turkey	Turkey	Internet publishing
Hürriyet Zweigniederlassung GmbH. ("Hürriyet Zweigniederlassung")	Germany	Europe	Newspaper publishing
Trader Media East ("TME")	Jersey	Europe	Investment
Publishing House Pennsylvania Inc	USA	Russia and EE	Investment
Pronto Soft	Belarus	Russia and EE	Internet publishing
OOO SP Belpronto	Belarus	Russia and EE	Newspaper and internet publishing
Bolji Posao d.o.o. Bosnia	Bosnia-Herzegovina	Europe	Internet publishing
Oglasnik d.o.o.	Croatia	Europe	Newspaper and internet publishing
TCM Adria d.o.o.	Croatia	Europe	Investment
Hürriyet Invest B.V. ("Hürriyet Invest")	Holland	Europe	Investment
Pronto Invest B.V.	Holland	Europe	Investment
Mirabridge International B.V.	Holland	Europe	Investment
TOO Pronto Akmola	Kazakhstan	Russia and EE	Newspaper and internet publishing

NOTE 1 - ORGANISATION AND NATURE OF OPERATIONS (Continued)

Subsidiaries (Continued)

Subsidiaries	Registered country	Geographic segment	Nature of business
OOO Pronto Aktau	Kazakhstan	Russia and EE	Newspaper and internet publishing
OOO Pronto Aktobe	Kazakhstan	Russia and EE	Newspaper and internet publishing
OOO Pronto Atyrau	Kazakhstan	Russia and EE	Newspaper and internet publishing
Pronto Ust Kamenogorsk	Kazakhstan	Russia and EE	Newspaper publishing
ZAO Pronto Akzhol	Kazakhstan	Russia and EE	Newspaper and internet publishing
Expressz Magyarorszag Media Kft.	Hungary	Europe	Newspaper and internet publishing
Impress Media Marketing LLC	Russia	Russia and EE	Publishing
OOO Delta-M	Russia	Russia and EE	Newspaper and internet publishing
OOO Novoprint	Russia	Russia and EE	Newspaper and internet publishing
OOO Partner-Soft	Russia	Russia and EE	Internet publishing
OOO Pronto Baikal	Russia	Russia and EE	Newspaper and internet publishing
Job.ru LLC	Russia	Russia and EE	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 Kemerovo	Russia	Russia and EE	Newspaper and internet publishing
OOO Pronto Krasnodar	Russia	Russia and EE	Newspaper and internet publishing
OOO Pronto Krasnoyarsk	Russia	Russia and EE	Newspaper and internet publishing
OOO Pronto Moscow	Russia	Russia and EE	Newspaper and internet publishing
OOO Pronto Neva	Russia	Russia and EE	Internet publishing
OOO Pronto Nizhny Novgorod	Russia	Russia and EE	Newspaper and internet publishing
OOO Pronto Novosibirsk	Russia	Russia and EE	Newspaper and internet publishing
OOO Pronto Obninsk	Russia	Russia and EE	Newspaper and internet publishing
OOO Pronto Oka	Russia	Russia and EE	Newspaper and internet publishing
OOO Pronto Rostov	Russia	Russia and EE	Newspaper and internet publishing
OOO Pronto Samara	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 UlanUde	Russia	Russia and EE	Newspaper and internet publishing
OOO Pronto Vladivostok	Russia	Russia and EE	Newspaper and internet publishing
OOO Pronto Voronezh	Russia	Russia and EE	Newspaper and internet publishing
OOO Rektcentr	Russia	Russia and EE	Investment
OOO Tambov-Info	Russia	Russia and EE	Newspaper and internet publishing
OOO Tambukan	Russia	Russia and EE	Newspaper and internet publishing
OOO Utro Peterburga	Russia	Russia and EE	Newspaper and internet publishing
OOO Rukom	Russia	Russia and EE	Internet publishing
ZAO NPK	Russia	Russia and EE	Call center
SP Pronto Kiev	Ukraine	Russia and EE	Newspaper and internet publishing
Bolji Posao d.o.o. Serbia	Serbia	Europe	Internet publishing
TOV E-Prostir	Ukraine	Russia and EE	Internet publishing
Publishing International Holding BV	Holland	Europe	Investment

Joint Ventures

Joint Ventures of the Company, registered countries, nature of businesses, geographic segments are as follows:

Joint Venture	Registered country	Geographic segment	Nature of business
OOO Autoscout24	Russia	Russia and EE	Internet publishing
ASPM Holding B.V. ("ASPM")	Holland	Europe	Investment

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

2.1 Basis of presentation

2.1.1 Financial reporting standards

Public Oversight, Accounting and Auditing Standards Board ("POA"), published the "Financial Statement Samples and User Guide", to be prepared in the scope of TAS/TFRS in accordance with the "Turkey Accounting / Financial Reporting Standards" in the Official Gazette No. 28652 dated 20 May 2013 for the companies that are obliged to apply Turkish Accounting Standards ("TAS") and Turkish Financial Reporting Standards ("TFRS") except for the financial institutions such as banks, insurance companies, capital market institutions operating under the scope of Banking Act No. 5411, the Capital Market Law No. 6362, No. 5684, No. 4683 of the Insurance Law, Private Pension Savings and Investment.

In accordance with the Capital Markets Board ("CMB")'s No. II-14.1 "Principles of Financial Reporting in Capital Markets" ("Communiqué No. II-1.14"), capital market institutions except for the partnerships whose issued capital market instruments are traded on a stock exchange and investment funds, housing finance and asset finance funds, financial statements, should prepare its financial statements in accordance with TAS / TFRS.

Upon the CMB's resolution dated 7 June 2013 and 20/670, for capital market institutions, except for the corporations whose capital market instruments are traded on a stock exchange and investment funds, housing finance and asset finance funds within the scope of Communique No: II-14.1, formats are declared in the weekly bulleting at 7 June 2013 numbered 2013/19 starting from the interim periods 30 September 2013. The Company prepared the consolidated financial statements in accordance with the standards described above.

With the decision taken on 17 March 2005, the CMB 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 Financial Reporting Standards. Accordingly, IAS 29, "Financial Reporting in Hyperinflationary Economies" ("IAS 29"), issued by the IASB, has not been applied in the financial statements for the accounting year commencing 1 January 2005.

The Group maintain their books of account and prepare their statutory financial statements in TL in accordance with the Turkish Commercial Code ("TCC"), tax legislation and the Uniform Chart of Accounts issued by the Ministry of Finance.

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

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

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

2.1 Basis of presentation (Continued)

2.1.2 Financial statements of Subsidiaries, Associates and Joint Ventures operating in foreign countries

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

If the Group companies' functional currency is different from its presentation currency, the functional currency is translated into the presentation currency as follows:

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

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

The financial statements of the companies operating in Belarus (Pronto Soft, OOO SP Belpronto) included within the accompanying consolidated financial statements are prepared on the historical cost basis adjusted in accordance with IAS No. 29. The methods used to measure the fair values are explained in Note 2.2.2. Determination of historical cost is generally based on the fair value of the amount paid for the asset. As explained in Note 2.1.1, effective from 1 January 2005, the application of inflation accounting has lasted for the companies operating in Turkey. Hyper-inflationary period commenced on 1 January 2011 in Belarus. In the financial statements of subsidiaries operating in Belarus, restatement adjustments resulting from changes in the general purchasing power of the Belarusian Ruble have been made in accordance with IAS 29 which requires that financial statements prepared in the currency of a hyperinflationary economy be stated in terms of the measuring unit current at the balance sheet date. One characteristic that necessitates the application of IAS 29 is a cumulative three-year inflation rate approaching or exceeding 100%. The related cumulative rate became 188% for the three-year period ended as of 30 September 2013 based on the consumer price index published by Belarus National Statistic Committee.

Index and the conversion factors used to adjust the financial statements of the subsidiaries operating in Belarus as at 30 September 2013 are given below:

Dates	Index	Conversion Factor
31 December 2008	1,3524	3,2865
31 December 2009	1,4871	2,9888
31 December 2010	1,6362	2,7165
31 December 2011	3,4143	1,3018
31 December 2012	4,1549	1,0697
30 September 2013	4,5699	1,0000

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

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

2.1 Basis of presentation (Continued)

2.1.2 Financial statements of Subsidiaries, Associates and Joint Ventures operating in foreign countries (Continued)

The annual change in Belarusian Ruble ("BYR") exchange rate against USD and Euro compared with the consumer price index in Belarus is as follows:

Years	**2011**	**2012**	**2013**
Change in USD/BYR (%)	178	(1,8)	6
Change in Euro/BYR (%)	172	(1,7)	8
Belarus Consumer Price Index (%)	109	16	10

As of 30 September 2013, the exchange rate announced by the National Bank of the Republic of Belarus was USD 1= BYR 9.080, Euro 1= BYR 12.250 (31 December 2012: USD 1= BYR 8.570, Euro 1= BYR 11.340).

The main guidelines for the IAS 29 restatement are as follows:

- All items of financial statements of subsidiaries operating in Belarus, except for the ones already presented at the current purchasing power level, are restated by applying a general price index until 30 June 2013.

- Monetary assets and liabilities of the subsidiaries operating in Belarus are not restated because they are already expressed in terms of the current measuring unit at the balance sheet date. Monetary items present money held and items to be received or paid in cash and cash equivalents.

- Non-monetary assets and liabilities in financial statements of the subsidiaries operating in Belarus are restated by applying, to the initial acquisition cost and any accumulated depreciation, the change in the general price index from the date of acquisition or initial recording to the balance sheet date, in the manner that not to exceed their market values. Depreciation is similarly restated. The components of shareholders' equity are restated by applying the applicable general price index from the dates the components were contributed or arose otherwise.

- All items in the statement of income of the subsidiaries operating in Belarus, except non-monetary items in the statement of financial position that have effect over statement of income, are restated by applying the relevant conversion factors from the dates when the income and expense items were initially recorded in the financial statements.

- The gain or loss on the net monetary position is the result of the effect of general inflation and is the difference resulting from the restatement of non-monetary assets, shareholders' equity and statement of income items. The gain or loss on the net monetary position is included in net profit / (loss).

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

2.1 Basis of presentation (Continued)

2.1.3 Consolidation principles

The consolidated financial statements include the accounts of the parent company, Hürriyet, its Subsidiaries, Joint Ventures, and its Associates (together 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 Note 2.1.2 and application of uniform accounting policies and presentations; adjustments and reclassifications.

Consolidation principles used in the preparation of these consolidated financial statements are summarized below:

(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, or (b) although not having the power to exercise more than 50% of the voting rights, through the power to govern the financial and operating policies. Control is achieved when the Company:

- has power over the investee
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to at least one of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all the relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- The size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- Potential voting rights held by the Company, over vote holders or other parties;
- Rights arising from other contractual arrangements; and
- Any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

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

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

2.1 Basis of presentation (Continued)

2.1.3 Consolidation principles (Continued)

(a) Subsidiaries (Continued)

The Subsidiaries and their effective ownership interests at 30 September 2013 and 31 December 2012 are as follows:

	Proportion of voting power held by Hürriyet and its Subsidiaries (%)		Effective ownership interests (%)	
Subsidiaries	**30 September 2013**	**31 December 2012**	**30 September 2013**	**31 December 2012**
Hürriyet Medya Basım	100,00	100,00	100,00	100,00
Doğan Ofset	99,93	99,93	99,93	99,93
Yenibir	100,00	100,00	100,00	100,00
Doğan Haber	53,10	53,10	53,10	53,10
Nartek	60,00	60,00	60,00	60,00
Hürriyet Zweigniederlassung	100,00	100,00	100,00	100,00
Hürriyet Invest	100,00	100,00	100,00	100,00
TME	74,28	74,28	74,28	74,28
Oglasnik d.o.o. (1)	100,00	100,00	74,28	74,28
Impress Media Marketing LLC	97,00	100,00	72,05	74,28
Moje Delo, spletni marketing, d.o.o (2)	-	100,00	-	74,28
TCM Adria d.o.o.	100,00	100,00	74,28	74,28
Expressz Magyarorszag Media Kft.	100,00	100,00	74,28	74,28
Job.ru LLC	100,00	100,00	74,28	74,28
Mirabridge International B.V.	100,00	100,00	74,28	74,28
Pronto Invest B.V.	100,00	100,00	74,28	74,28
ZAO Pronto Akzhol	80,00	80,00	59,42	59,42
TOO Pronto Akmola	100,00	100,00	74,28	74,28
OOO Pronto Atyrau	100,00	100,00	59,42	59,42
OOO Pronto Aktobe	80,00	80,00	47,54	47,54
OOO Pronto Aktau	100,00	100,00	59,42	59,42
OOO Pronto Rostov(3)	100,00	100,00	74,28	74,28
OOO Novoprint(4)	100,00	100,00	74,28	74,28
ZAO NPK(4)	100,00	100,00	74,28	74,28
OOO Delta-M	55,00	55,00	40,85	40,85
OOO Pronto Baikal	100,00	100,00	74,28	74,28
OOO Pronto DV	100,00	100,00	74,28	74,28
OOO Pronto Ivanovo	100,00	100,00	74,28	74,28
OOO Pronto Kaliningrad	95,00	95,00	70,57	70,57
OOO Pronto Kazan	72,00	72,00	53,48	53,48
OOO Pronto Krasnodar	80,00	80,00	59,42	59,42
OOO Pronto Krasnoyarsk(5)	100,00	100,00	74,28	74,28
OOO Pronto Nizhny Novgorod	90,00	90,00	66,85	66,85
OOO Pronto Novosibirsk	100,00	100,00	74,28	74,28
OOO Pronto Oka(6)	100,00	100,00	74,28	74,28
OOO Utro Peterburga(6)	55,00	55,00	40,85	40,85
OOO Pronto Samara	100,00	100,00	74,28	74,28
OOO Pronto Stavropol(7)	-	100,00	-	74,28
OOO Pronto UlanUde	90,00	90,00	66,85	66,85
OOO Pronto Vladivostok	90,00	90,00	66,85	66,85
OOO Pronto Moscow	100,00	100,00	74,28	74,28

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

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

2.1 Basis of presentation (Continued)

2.1.3 Consolidation principles (Continued)

(a) Subsidiaries (Continued)

	Proportion of voting power held by Hürriyet and its Subsidiaries (%)		Effective ownership interests (%)	
	30 September 2013	31 December 2012	30 September 2013	31 December 2012
OOO Rosprint Samara [8]	-	100,00	-	74,28
OOO Tambukan	85,00	85,00	63,14	63,14
OOO Partner-Soft [4]	90,00	90,00	66,85	66,85
Pronto Soft	90,00	90,00	66,85	66,85
OOO Pronto Kemerovo [3]	100,00	100,00	74,28	74,28
OOO Pronto Smolensk	100,00	100,00	74,28	74,28
OOO Pronto Tula [3]	100,00	100,00	74,28	74,28
OOO Pronto Voronezh [3]	100,00	100,00	74,28	74,28
OOO SP Belpronto	60,00	60,00	44,57	44,57
OOO Tambov-Info	100,00	100,00	74,28	74,28
OOO Pronto Obninsk	100,00	100,00	74,28	74,28
OOO Rektcentr	100,00	100,00	74,28	74,28
OOO Pronto Neva[3]	100,00	100,00	74,28	74,28
SP Pronto Kiev	50,00	50,00	37,14	37,14
TOV E-Prostir	50,00	50,00	37,14	37,14
Publishing House Pennsylvania Inc	100,00	100,00	74,28	74,28
Bolji Posao d.o.o. Serbia	100,00	100,00	74,28	40,85
Bolji Posao d.o.o. Bosnia	100,00	100,00	74,28	40,85
Sklad Dela Prekmurje NGO [2]	-	100,00	-	40,85
OOO Rukom [9]	100,00	100,00	74,28	74,28
Pronto Ust Kamenogorsk	100,00	100,00	59,42	59,42
OOO Pronto Pskov [10]	-	100,00	-	66,85
Publishing International Holding BV	100,00	100,00	74,28	74,28

(1) Related rates include put-options regarding non-controlling shares explained in detail in Note 19.
(2) Related subsidiary was sold on 23 April 2013.
(3) Related subsidiary is in the liquidation process as of 2013.
(4) Related subsidiary is in the liquidation process as of 2012.
(5) Related subsidiary is in the liquidation process as of 2011.
(6) Related subsidiary has ceased its operations before the year 2010.
(7) The merger process with OOO Pronto Rostov has been completed in April 2013.
(8) Related subsidiary's merger process with Pronto Samara completed in September 2013.
(9) Related subsidiary has ceased its operations in 2012.
(10) Related subsidiary was sold on 26 April 2013.

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

2.1 Basis of presentation (Continued)

2.1.3 Consolidation principles (Continued)

(b) Investments in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exits only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of associates or joint ventures are incorporated in these consolidated financial statements using the equity method of accounting except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with TFRS 5. Under the equity method, an investment in an associate or a joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in the associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

An investment in an associate or a joint venture is accounted by using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

The requirements of TAS 39 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in an associate or a joint venture. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with TAS 36 Impairment of Assets as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs to sell) with its carrying amount. Any reversal of that impairment loss is recognised in accordance with IAS 36 to the extent that the recoverable amount of the investment subsequently increases.

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

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

2.1 Basis of presentation (Continued)

2.1.3 Consolidation principles (Continued)

(b) Investments in associates and joint ventures (Continued)

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate or a joint venture, or when the investment is classified as held for sale. When the Group retains an interest in the former associate or joint venture and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on the initial recognition in accordance with IAS 39. The difference between the carrying amount of the associate or joint venture at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate or joint venture is included in the determination of the gain or loss on disposal of the associate or joint venture. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate or joint venture on the same basis as would be required if that associate or joint venture had directly disposed of the related assets and liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate or joint venture would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

The table below sets out consolidated associates and indicates the proportion of ownership interest in these associates as of 30 September 2013 and 31 December 2012.

	30 September 2013 Direct and indirect control by Hürriyet and its Subsidiaries (%)	**31 December 2012 Direct and indirect control by Hürriyet and its Subsidiaries (%)**
Doğan Media International GmbH ("Doğan Media")	42,42	42,42

The gain or loss arising from transactions between the Group and its subsidiaries are eliminated to the extent of the Group's associate and joint venture.

Joint Ventures	**30 September 2013 Direct and indirect share of Hürriyet and its Subsidiaries (%)**	**31 December 2012 Direct and indirect share of Hürriyet and its Subsidiaries (%)**
OOO Autoscout24 (1)	37,88	37,88
ASPM Holding B.V.	37,88	37,88
Tipeez İnternet Hizmetleri A.Ş. ("Tipeez") (2)	-	30,00

(1) Related joint venture has been started the liquidation process in 2013.
(2) All shares have been sold to ultimate shareholder Tweege Holdings LP on 25 June 2013.

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

2.1 Basis of presentation (Continued)

2.1.3 Consolidation principles (Continued)

(c) Non-controlling interests

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

(d) Financial investments

Financial investments in which the Group and its subsidiaries, have less than 20%, or more than 20% direct or indirect participation but the Group has no significant influence over the related assets, or which are immaterial to consolidated financial statements are classified as available for sale financial assets. Available for sale financial assets that do not have a quoted market price in an active market and whose fair value cannot be measured reliably are carried at cost less any allowance for impairment (Note 6).

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 realised 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.

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

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

2.1 Basis of presentation (Continued)

2.1.5 Comparative information and restatement of prior period financial statements

The consolidated financial statements of the Group are prepared comparatively with the previous period to identify the financial position and performance trends. The Group prepared the consolidated balance sheet as of 30 September 2013 with 31 December 2012, and the consolidated interim statement of profit or loss and other comprehensive income, statement of cash flows and statement of changes in equity for the interim period ended as of 30 September 2013 with 1 January- 30 September 2012 accounting period's related financial statements comparatively.

The consolidated financial statements of the Group are prepared comparatively with the previous period to identify the financial position and performance trends. In the current period, the Group has reclassified its prior period financial statements in order to comply with the formats declared by CMB decision numbered 20/670 dated 7 June 2013. Related classifications does not have any effect on previously disclosed shareholders' equity and net loss for the period; besides the amount and the nature of the classifications on the financial statements for the year 2012 are stated below.

	Previously Reported Prior Period **31 December 2012**	***Restated Prior Period*** **31 December 2012**
Current Assets	**227.953.883**	**227.953.883**
Prepaid expenses	-	5.312.984
Assets related with current tax	-	18.977.244
Trade receivables from non-related parties	192.287.740	192.625.036
Other current assets	35.666.143	11.038.619
Current Liabilities	**398.218.134**	**398.218.134**
Short-term borrowings	-	46.048.788
Short-term portion of long-term borrowings	-	249.699.732
Payables regarding to employee benefit payables	-	10.104.003
Deferred income	-	9.081.379
Short-term provisions for employee benefits	-	14.836.862
Other short-term provisions	-	3.680.581
Current tax payables	-	8.700.446
Financial liabilities	295.748.520	-
Trade payables to non-related parties	47.396.084	51.205.049
Other current liabilities	34.551.896	4.159.063
Other payables to non-related parties	16.841.053	702.231
Provisions	3.680.581	-

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

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

2.1 Basis of presentation (Continued)

2.1.5 Comparative information and restatement of prior period financial statements (Continued)

	Previously Reported Prior Period **30 September 2012**	***Restated Prior Period*** **30 September 2012**
Other operating income	155.058.475	-
Other operating expenses (-)	(19.008.716)	-
Financial income	101.031.196	-
Financial expenses (-)	(84.044.060)	(56.253.216)
Other operating income	-	87.580.912
Other operating expenses (-)	-	(34.279.471)
Income from investing activities	-	169.522.403
Expenses from investing activities (-)	-	(12.520.089)

2.1.6 Significant Accounting Policies and Changes in Accounting Estimates and Errors

As a result of management's decision investment properties at fair value which were previously carried at cost less accumulated depreciation and impairment charges if any under the cost method in the consolidated financial statements. The effect of these changes are reflected in the consolidated financial statements as of 1 January 2010 and and consolidated financial statements were restated accordingly in accordance with "TAS 8 Accounting Policies, Changes in Accounting Estimates and Errors" ("TAS 8"). As a result of this amendment, the Group's investment properties have increased by TL 16.831.453 as of 30 September 2012; and the change has affected the Group's equity and net loss for the period as TL 16.001.928 and TL (1.064.704), respectively as of 30 September 2012. The details of the change as of 30 September 2012 are as follows:

	Previously Reported	**Related Adjustments**	**Restated**
Investment properties	25.936.569	16.831.453	42.768.022
Deferred tax liabilities	110.085.411	829.525	110.914.936
Retained earnings	(191.679.689)	14.937.224	(176.742.465)
Net profit for the period	156.154.529	1.064.704	157.219.233
-General administrative expenses (-)	(113.728.024)	101.743	(113.626.281)
-Income from investing activities	168.508.760	1.013.643	169.522.403
-Other operating income	87.580.912	-	87.580.912
-Other operating expenses (-)	(34.279.471)	-	(34.279.471)
-Deferred tax income	5.427.119	(50.682)	5.376.437
Earnings / (loss) per share (TL)	0,2829	0,0019	0,2848

Joint ventures accounted under IAS 31 are determined as jointly controlled entities and are accounted for using the equity method replaced with proportional consolidation according to TFRS 11. With the decision taken as a result of the evaluations by Group management, since the effect of the amendment is below materiality level, the Group has not restated previous financial statatements.

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

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

2.1 Basis of presentation (Continued)

2.1.6 Significant Accounting Policies and Changes in Accounting Estimates and Errors (Continued)

The preparation of consolidated financial statements requires the use of estimations and assumptions that may have an effect over the assets and liabilities reported at the balance sheet date, contingent assets and liabilities disclosures and income and expenses reported during the accounting period. The estimates and assumptions are based on the best available information on the current circumstances and operations; however, they may differ from the actual results. If changes in accounting estimates only relate to one period, the change is reflected in the current period in which the change is made, if they relate to future periods, the change is both reflected in the current period in which the change is made and prospectively for future periods. Significant accounting policies used in the current period are consistent with those that are used in the preparation of the consolidated financial statements for the year ended 31 December 2012.

2.1.7 Amendments in the CMB Financial Reporting Standards

(a) Standards that are effective as of 1 January 2013 and have effect on financial statements:

Amendments to TAS 1	*Presentation of Items of Other Comprehensive Income*

(b) Standards that are effective as of 1 January 2013, but have no effect on financial statements

Amendments to TAS 1	*Clarification of the Requirements for Comparative Information*
Amendments to TFRS 7	*Financial Instruments: Disclosure*
Amendments to TAS 12	*Deferred Tax– Recovery of Underlying Assets*
TFRS 10	*Consolidated Financial Statements*
TFRS 11	*Joint Arrangements*
TFRS 12	*Disclosure of Interest in Other Entities*
TFRS 13	*Fair Value Measurement*
TFRS 7	*Financial Instruments: Disclosures- Offsetting Financial Assets* and liabilities
TFRS 10, TFRS 11	*Consolidated Financial Statements, Joint Arrangements*
Amendments to TFRS 12	*Disclosure of Interest in Other Entities: Transition Rules*
TAS 27	*Separate Financial Statements*
TAS 28	*Investments in Associates and Joint Ventures*
Amendments to TFRSs	*Annual Improvements except for the amendment to IAS 1*
IFRIC 20	*Stripping Costs in the Production Phase of a Surface Mine*

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

2.1 Basis of presentation (Continued)

2.1.7 Amendments in the CMB Financial Reporting Standards (Continued)

(c) New and Revised Standards and Interpretations that are not yet effective and have not been early adopted by the Group

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

TFRS 9	*Financial Instruments*
Amendments to TFRS 9 and TFRS 7	*Mandatory Effective Date of TFRS 9 and Transition Disclosures*
Amendments to IAS 32	*Offsetting Financial Assets and Financial Liabilities*

Above mentioned standards will be effective in 2014 and following years and the Company has not yet had an opportunity to consider the potential impacts of the adoption of these revised standards and the Company does not anticipates that the amendments will have a significant effect on the financial statements.

2.2 Summary of significant accounting policies

2.2.1 Related parties

For the purpose of accompanying consolidated financial statements, related parties are referred to as legal entities in which Doğan Holding directly or indirectly has participation, including any entities under joint control; real persons and/or legal entities that have direct or indirect control or joint control over the Company and their close family members (immediate family members) and legal entities having direct or indirect control or joint control by them and legal entities having significant effect over the Company or their key management personnel; Company's affiliates, subsidiaries and members of the BOD, key management and their close family members (immediate family members) and real persons and/or legal entities that are directly or indirectly controlled individually or jointly (Note 34).

2.2.2 Financial assets

In accordance with IAS 39, the Group classifies its financial instruments as "assets held at fair value through profit or loss", "held-to-maturity", "available-for-sale" and "loans and receivables". Classification is determined based on the acquisition purpose and specifications of the financial asset at the initial recognition.

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

2.2 Summary of significant accounting policies (Continued)

2.2.2 Financial assets (Continued)

All financial assets are recognised at cost including transaction costs in the initial measurement. Group's financial assets as of 30 September 2013 and 31 December 2012 consist of *"Financial assets at fair value through profit or loss"* and *"Financial assets held-for sale"*.

"Financial assets at fair value through profit or loss" financial assets that have been acquired principally for the purpose of taking advantage of fluctuations in price and other similar elements or independent from initial recognition financial assets held for trading which are part of a portfolio that has a recent actual pattern of short-term profit-taking. A financial asset is classified in this category if it is primarily acquired for the purpose of selling in the short-term. Financial assets at fair value through profit or loss are initially carried at cost including transaction costs at the balance sheet. Subsequent to recognition, the financial assets are carried at fair value. Realized or unrealized gains and losses are recognized in "financial income/expenses". Dividends received, are recognized as dividend income in the consolidated statement of income. Financial assets considered as derivative instruments that are not designated for the purpose of hedging instruments are classified as financial assets at fair value thorough profit or loss.

The Group's "*available for sale financial assets"* comprise of quoted equity instruments and certain debt securities that are traded in an active market and they are measured at fair value. Unrealized gains or losses on an available-for-sale financial asset shall be recognised in equity, through the investments revaluation reserves and comprehensive income, except for impairment losses and foreign exchange gains and losses, until the financial asset is derecognised, at which time the cumulative gain or loss previously recognised in equity shall be recognised in profit or loss. However, interest calculated using the effective interest method is recognised in profit or loss. Dividends on available-for-sale equity instruments are recognized in profit or loss when the Group's right to receive payment is established.

Financial assets classified by the Group as "available for sale financial assets" that do not have any control power or significant effect have no fair value. When fair value cannot be reliably measured as other fair value estimation methods are not applicable; the carrying value of the financial asset is measured at cost less any impairment loss (Note 6).

The Group's trade receivables from providing goods or services to customers are carried at net off unrealized finance income. Trade receivables, net of unrealized finance income, are calculated by discounting future cash inflows of receivables carried at the original invoice amount using the effective interest method. Short term receivables with indefinite interest rate are carried at cost unless the effect of imputing interest is significant (Note 9).

"Loans and receivables" are financial assets that have fixed or determinable payments and fixed maturity dates and non-derivative financial assets that are not quoted in an active market.

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

2.2 Summary of significant accounting policies (Continued)

2.2.3 Trade receivables and provision for doubtful receivables

Provision is allocated for receivables when the Group has an objective indication over the collectability. The Group also set allowance for the receivables which are overdue for more than one year unless there is no guarantee and collaterals taken or special agreement. The amount of the provision is the difference between the carrying amount and the recoverable amount. Recoverable amount is the present value of all cash flows, including amounts recoverable from guarantees and collaterals discounted based on using the original effective interest rate of the trade receivable occurred.

If there is a partial or whole collection over the doubtful receivable amount subsequent to the allocation of provision for doubtful receivables, the collected portion is recognised as other income following the write-down of the total provision amount (Note 27).

2.2.4 Impairment of assets excluding goodwill and intangible assets with indefinite useful lives

At each balance sheet date, the Group evaluates whether there are any indications that an asset other than goodwill or intangible assets with indefinite useful lives may be impaired. When an indication of impairment exists, carrying value of the assets 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 value of an asset or a cash generating unit including that asset is greater than its recoverable amount. Impairment losses are recognised in the consolidated statement of income.

2.2.5 Inventories

Inventories are valued at the lower of cost or estimated selling price less estimated costs necessary to make a sale. Cost elements included in inventory are purchase costs and other costs necessary to prepare the asset for its intended use. Cost elements included in inventories are materials, labor and production overheads. The unit cost of inventories is determined on the moving weighted average basis (Note 12).

Promotion materials

Assessment of impairment on promotion materials and determination of impairment amount is carried out by the Group management. Impairment amount is determined by considering the purchase dates and rates identified by management.

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

2.2 Summary of significant accounting policies (Continued)

2.2.6 Investment properties

Land and buildings that are held to earn rentals and/or for capital appreciation are classified as investment property. Investment properties are carried at cost less transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the balance sheet date. Gains or losses arising from changes in the fair values of investment properties are included in the statement of income in the year which they arise (Note 14).

Investment properties are derecognized when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognized in the statement of income in the year of retirement or disposal.

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use.

Assets held under operating lease have not been classified as investment properties.

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

2.2 Summary of significant accounting policies (Continued)

2.2.7 Property, plant and equipment and depreciation

Property, plant and equipment are carried at cost less accumulated depreciation and impairment losses, if any. Depreciation is provided using the straight-line method based on the estimated useful lives of tangible assets (except lands) (Note 15).

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

Useful life and depreciation are reviewed regularly and the Group also reviews the consistency of the useful life and depreciation method applied with the economic benefits to be obtained from the underlying assets.

Gains or losses on disposals of property, plant and equipment are determined with respect to the difference between collections received and carrying amounts of property, plant and equipment and are included in the other income and expense accounts, as appropriate.

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. Fair value less costs to sell is the amount obtainable from the sale of an asset less the costs of disposal. Value in use is the present value of the future cash flows expected to be derived from an asset plus the residual value of the related assets.

Repair and maintenance expenses are charged to the consolidated statement of income as they are incurred. Capital expenditures that increase the present value of the future cash flows expected to be derived from property, plant and equipment by increasing its capacity is added to the cost of tangible fixed asset.

2.2.8 Financial leases

Leases are classified as finance leases by the Group whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. Assets held under finance leases are recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. Lease payments are treated as consisting of capital and interest.

Principal lease payments are treated as liabilities and reduced with their payments. Interest charges are charged directly against income statement over the financial lease period. Capitalized leased assets are depreciated over the estimated useful life of the asset.

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

2.2 Summary of significant accounting policies (Continued)

2.2.9 Intangible assets

Intangible assets excluding goodwill and assets with infinite useful lives comprise trade names and licenses, 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 amortisation and are tested for impairment annually.

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	5-15 years
Domain names	3-20 years
Other intangible assets	5 years

Intangible assets with finite useful lives are carried at their acquisition cost and amortised using the straight-line method over their estimated useful lives (Note 16).

Intangible assets with finite useful lives are evaluated for impairment losses and an impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount. Recoverable amount is considered to be the higher of future net cash flows of the intangible asset or the fair value less costs to sell. Impairment losses are recognized immediately in the consolidated income statement.

Web page development costs

Costs associated with developing web pages are capitalized and are amortized over their estimated useful lives (Note 16). Following the planning phase and operation; all costs are recognized as expense. Maintenance costs of web pages are accounted as operational expenses.

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

2.2 Summary of significant accounting policies (Continued)

2.2.10 Goodwill

Goodwill arising from business combinations effected subsequent to 30 June 2004 is not amortized and instead reviewed for any impairment losses in accordance with TFRS 3 Business Combinations for the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period. (Note 16).

2.2.11 Critical accounting estimates and judgements

Useful lives of intangible assets

Useful lives of some trademarks are expected to be indefinite by the Group management. Where useful life is definite, in case of useful lives of 20 years, such intangible assets' amortization would have increased by TL 10.882.542 (30 September 2012: TL 9.353.778) and their loss before tax and minority interests would have increased by TL 10.882.542 (30 September 2012: TL 9.353.778).

Group amortizes trade names, customer lists and domain names with definite useful lives specified in Note 2.2.9.

If the useful lives of tradenames, 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 989.322 and loss before tax and non-controlling interests would have decreased by TL 989.322 (30 September 2012: TL 850.343) or
- Had the useful lives been lower by 10%, amortization charges would have increased by TL 1.209.171 and loss before tax and non-controlling interests would have increased by TL 1.209.171 (30 September 2012: TL 1.039.309).

2.2.12 Taxes

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

Deferred tax is provided, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes. Deferred income tax is determined using tax rates that have been enacted by the balance sheet date.

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

2.2 Summary of significant accounting policies (Continued)

2.2.12 Taxes (Continued)

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 utilized (Note 32). Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they are related to income taxes levied by the same taxation authority.

2.2.13 Financial borrowings

Borrowings are recognised initially at the proceeds received, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost using the effective interest method. Any difference between proceeds, net of transaction costs, and the redemption value is recognised in the income statement as finance expense 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 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, contingent assets and liabilities

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

Contingent liabilities are assessed continually to determine whether an outflow of resources comprising economic benefits has become probable. If it becomes probable that an outflow of future economic benefits will be required for an item previously dealt with as a contingent liability, a provision is recognised in the financial statements of the period in which the change in probability occurs except in the extremely rare circumstances where no reliable estimation can be made.

The Group has disclosed the contingent liability if it becomes probable, but no reliable estimation can be made on the amounts of resources comprising economic benefits.

Possible assets that arise from past events and whose existence will be confirmed only by the Group occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the are treated as contingent assets. A contingent asset is disclosed where an inflow of economic benefit is probable.

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

2.2 Summary of significant accounting policies (Continued)

2.2.15 Provisions, contingent assets and liabilities (Continued)

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.2.16 Share capital and dividends

Ordinary shares are classified as equity. Dividend income is recognised as income by the Group when right to obtain of dividend is generated in the consolidated financial statements. Dividend distribution to the Company's shareholders is recognised as a liability in the Group's consolidated financial statements in the period in which the dividends are approved by the Company's shareholders.

2.2.17 Foreign currency transactions

Functional currency

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

Foreign currency transactions and balances

Income and expenses arising in foreign currencies have been translated into TL 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.

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 in the equity.

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

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

2.2 Summary of significant accounting policies (Continued)

2.2.17 Foreign currency transactions (Continued)

Foreign currency transactions and balances (Continued)

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 September 2013 and 31 December 2012 are summarized below:

Country	Currency	30 September 2013	31 December 2012
Russia	Ruble	0,0629	0,0587
Eurozone	Euro	2,7484	2,3517
Hungary	Forint	0,0092	0,0081
Croatia	Kuna	0,3605	0,3113
Ukraine	Grivna	0,2545	0,2230
Romania	New Ley	0,6172	0,5319
Kazakhstan	Tenge	0,0132	0,0118
Belarus	Belarusian Ruble	0,0002	0,0002

2.2.18 Revenue recognition

Revenue is the fair value amount of sales of goods and services received or receivable which is resulted from Group's operations. Net sales represent the invoiced value of goods/services shipped less any trade discounts, rebates or commissions and are presented with the elimination of intercompany balances.

Revenue is initially recognized at the fair value of the consideration received or receivable when it can be measured reliably and when there is an inflow of economic benefits. 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 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 recognized as financing income on the related periods.

Revenues from advertisement

Revenues from advertisement are recognised on an accrual basis based on the time of publishing. Unpublished part of the advertisement is recorded as deferred revenue in balance sheet.

Revenues from newspaper sales

Revenues from newspaper sales are recognised on a matching principle at the time of delivery of the newspapers by the distribution company to the vendor at the invoiced values.

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

2.2 Summary of significant accounting policies (Continued)

2.2.18 Revenue recognition (Continued)

Revenues from printing services

Revenues from printing services arise from printing services given to Group companies and third parties by using Group's printing facilities. Related income is recognised 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 other related information.

Interest income

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

Rental income

Rental income is recognized on an accrual basis.

Other income:

Other income is recognized on an accrual basis.

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

2.3 Summary of significant accounting policies (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 revenue generating transaction. When goods are sold or services are rendered in exchange for dissimilar goods or services, the exchange is regarded as a revenue generating transaction. Revenue is measured at the fair value of the goods or services received, adjusted by the amount of any cash or cash equivalents transferred. If the fair value of the goods or services received is not measured reliably, the revenue is measured at the fair value of the goods or services supplied, adjusted by the amount of any cash or cash equivalents transferred (Note 19). Barter agreements is recognized on an accrual basis.

2.2.20 (Loss) / profit per share

(Loss) / profit per share disclosed in the consolidated statements of income are determined by dividing net (loss) / profit 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 23). 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 33).

In case of dividend payment, earnings per share are 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 are carried at cost in the balance sheet. Cash and cash equivalents comprise cash in hand, bank deposits and highly liquid investments without a significant risk over the change in their value, whose maturity at the time of purchase is three 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 authorised for issue.

In the case that events requiring a correction to be made occur subsequent to the balance sheet date, the Group makes the necessary corrections to the consolidated financial statements. In the case that events not requiring a correction to be made occur subsequent to the balance sheet date, those events are disclosed in the notes of consolidated financial statement.

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

2.2 Summary of significant accounting policies (Continued)

2.2.23 Reporting of cash flows

In the statement of cash flows, consolidated 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 assets 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).

2.2.24 Financial liabilities to non-controlling interests put options

Under the certain terms of acquisition agreements, the Group is committed to acquire the interests owned by non-controlling shareholders in consolidated subsidiaries, upon the request of non-controlling interest holders.

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 non-controlling shareholders in the net asset of the company subject to the put option must be reclassified from "non-controlling interest" to "other financial liabilities" in the consolidated balance sheet. The Group recognises, on initial recognition, the difference between the exercise price of the option and the carrying value of the non-controlling interests as a reduction of non-controlling 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).

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

2.2 Summary of significant accounting policies (Continued)

2.2.25 Business combinations

The acquisition of subsidiaries and businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition related costs are generally recognized loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognized at their fair value at the acquisition date (Note 3).

2.2.26 Segment reporting

The chief operating decision maker of the Group is the Executive Committee or Management Committee. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The Group has selected the geographical segment as the Group’s primary segment reporting format based on the risks and returns in geographical areas reflecting the primary source of the enterprise’s risks and returns (Note 4).

2.2.27 Derivative instruments

Derivative financial instruments, predominantly foreign currency interest swap agreements and foreign currency agreements are initially recognized 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. Derivative financial instruments are classified as assets or liabilities in accordance with their fair values to be positive or negative (Note 8).

According to valuation studies, changes in the fair value of derivatives at fair value through profit or loss are included in the statement of comprehensive income.

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

NOTE 3 - BUSINESS COMBINATIONS

There are no business combinations as of 30 September 2013 and 31 December 2012.

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

NOTE 4 - SEGMENT REPORTING

a) Segmental analysis for the period between 1 January – 30 September 2013:

	Turkey	Russia and EE	Europe	Total
Sales	437.239.043	142.893.872	35.118.370	615.251.285
Cost of sales (-)	(283.730.656)	(68.942.111)	(29.317.567)	(381.990.334)
Gross operating profit	**153.508.387**	**73.951.761**	**5.800.803**	**233.260.951**
Marketing, selling and distribution expenses (-)	(78.761.534)	(23.015.037)	(1.618.630)	(103.395.201)
Losses from investments accounted by the equity method (-)	(4.326.051)	(3.726)	-	(4.329.777)
Net segment result	**70.420.802**	**50.932.998**	**4.182.173**	**125.535.973**
General administrative expenses (-)				(112.344.682)
Other operating income				51.720.742
Other operating expenses (-)				(28.671.621)
Finance expenses (-)				(74.272.061)
Income from investing activities				10.180.336
Expense from investing activities (-)				(10.928.407)
Monetary gain / (loss)				61.472
Loss before tax				**(38.718.248)**
Tax expenses for the period (-)				(5.064.963)
Deferred tax income				15.619.769
Net loss for the period				**(28.163.442)**

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

NOTE 4 - SEGMENT REPORTING (Continued)

b) Segmental analysis for the period between 1 July – 30 September 2013:

	Turkey	Russia and EE	Europe	Total
Sales	129.668.845	49.802.920	12.468.107	191.939.872
Cost of sales (-)	(93.839.662)	(22.497.211)	(9.966.859)	(126.303.732)
Gross operating profit	**35.829.183**	**27.305.709**	**2.501.248**	**65.636.140**
Marketing, selling and distribution expenses (-)	(21.948.488)	(8.421.754)	(593.899)	(30.964.141)
Losses from investments accounted by the equity method (-)	836.477	(108)	-	836.369
Net segment result	**14.717.172**	**18.883.847**	**1.907.349**	**35.508.368**
General administrative expenses (-)				(38.872.102)
Other operating income				17.679.923
Other operating expense (-)				(10.495.368)
Finance expenses (-)				(22.676.330)
Income from investing activities				1.109.073
Expense from investing activities (-)				(1.063.783)
Monetary gain				(31)
Loss before tax				**(18.810.250)**
Tax expenses for the period (-)				1.155.633
Deferred tax income				9.137.226
Net loss for the period				**(8.517.391)**

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

NOTE 4 - SEGMENT REPORTING (Continued)

c) Segmental analysis for the period between 1 January – 30 September 2012:

	Turkey	Russia and EE	Europe	Total
Sales	438.822.546	153.697.550	33.387.889	625.907.985
Cost of sales (-)	(285.204.453)	(74.553.659)	(25.791.074)	(385.549.186)
Gross operating profit	**153.618.093**	**79.143.891**	**7.596.815**	**240.358.799**
Marketing, selling and distribution expenses (-)	(80.298.639)	(19.195.428)	(2.146.581)	(101.640.648)
Losses from investments accounted by the equity method (-)	(7.686.696)	-	-	(7.686.696)
Net segment result	**65.632.758**	**59.948.463**	**5.450.234**	**131.031.455**
General administrative expenses (-)				(113.626.281)
Other operating income				87.580.912
Other operating expense (-)				(34.279.471)
Finance expenses (-)				(56.253.216)
Income from investing activities				169.522.403
Expense from investing activities (-)				(12.520.089)
Monetary gain / loss				-
Profit before tax				**171.455.713**
Tax expenses for the period (-)				(20.179.605)
Deferred tax income				5.376.437
Net profit for the period				**156.652.545**

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

NOTE 4 - SEGMENT REPORTING (Continued)

d) Segmental analysis for the period between 1 July – 30 September 2012:

	Turkey	**Russia and EE**	**Europe**	**Total**
Sales	132.928.623	51.801.494	10.585.127	195.315.244
Cost of sales (-)	(89.325.928)	(23.946.503)	(7.908.509)	(121.180.940)
Gross operating profit	**43.602.695**	**27.854.991**	**2.676.618**	**74.134.304**
Marketing, selling and distribution expenses (-)	(23.398.361)	(6.804.620)	(628.796)	(30.831.777)
Losses from investments accounted by the equity method (-)	(1.993.131)	-	-	(1.993.131)
Net segment result	**18.211.203**	**21.050.371**	**2.047.822**	**41.309.396**
General administrative expenses (-)				(35.888.428)
Other operating income				18.553.793
Other operating expense (-)				(2.053.574)
Finance expenses (-)				(10.329.800)
Income from investing activities				3.502.800
Expense from investing activities (-)				(663.425)
Loss before tax				**14.430.762**
Tax expenses for the period (-)				(2.688.112)
Deferred tax income				(518.860)
Net loss for the period				**11.223.790**

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

NOTE 4 - SEGMENT REPORTING (Continued)

e) Segment assets:

	30 September 2013	31 December 2012
Turkey	598.651.542	718.712.599
Russia and EE	668.201.134	649.097.511
Europe	136.998.403	143.890.723
	1.403.851.079	**1.511.700.833**
Unallocated assets	26.543.006	35.890.598
Investments accounted by the equity method	13.747.725	5.258.016
Total assets per consolidated financial statements	**1.444.141.810**	**1.552.849.447**

Group's assets other than segment assets include prepaid taxes (Note 22), VAT receivables (Note 22) and deferred tax assets (Note 32).

f) Segment liabilities:

	30 September 2013	31 December 2012
Turkey	19.157.098	24.736.254
Russia and EE	19.278.445	14.734.868
Europe	63.162.254	63.842.780
	101.597.797	**103.313.902**
Unallocated liabilities	592.556.895	701.862.290
Total liabilities per consolidated financial statements	**694.154.692**	**805.176.192**

Group's liabilities other than segment liabilities is composed of short and long-term borrowings (Note 7), provisions (Note 18), long-term provisions for employment benefits (Note 20), VAT payable (Note 22) and unused vacation provision (Note 18), current tax liability and deferred tax liabilities (Note 32).

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

NOTE 4 - SEGMENT REPORTING (Continued)

g) Depreciation and amortization charges and capital expenditures

Capital expenditures:

	2013		2012	
	1 January-30 September	**1 July-30 September**	**1 January-30 September**	**1 July-30 September**
Turkey	17.669.387	3.104.387	50.118.655	14.406.101
Russia and EE	5.091.805	1.638.152	6.330.734	3.254.292
Europe	749.087	189.211	1.034.384	23.496
	23.510.279	**4.931.750**	**57.483.773**	**17.683.889**

Depreciation and amortization charges:

	2013		2012	
	1 January-30 September	**1 July - 30 September**	**1 January-30 September**	**1 July - 30 September**
Turkey	32.327.343	10.807.542	30.903.094	10.057.944
Russia and EE	20.475.836	7.077.529	20.556.953	6.814.426
Europe	6.016.528	2.077.554	6.065.557	2.055.317
	58.819.707	**19.962.625**	**57.525.604**	**18.927.687**

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

NOTE 4 - SEGMENT REPORTING (Continued)

h) Non-cash expenses:

	1 January-30 September 2013			
	Turkey	**Russia and EE**	**Europe**	**Total**
Provision for doubtful receivables (Note 9)	4.095.090	2.115.000	-	6.210.090
Provision for employee benefits and unused vacation rights (Note 18,20)	6.566.122	4.215.516	-	10.781.638
Provision for lawsuits (Note 18)	743.314	-	-	743.314
Provision for impairment of inventory (Note 12)	601.101	-	-	601.101
	12.005.627	**6.330.516**	**-**	**18.336.143**

	1 January - 30 September 2012			
	Turkey	**Russia and EE**	**Europe**	**Total**
Provision for employee benefits and unused vacation rights (Note 18,20)	7.379.300	3.496.229	-	10.875.529
Provision for doubtful receivables (Note 9)	3.469.198	1.686.000	211.675	5.366.873
Provision for impairment of inventory (Note 12)	1.318.842	-	-	1.318.842
Provision for lawsuits (Note 18)	756.930	-	-	756.930
Provision for impairment of available for sale financial assets (Note 6)	332.150	-	-	332.150
	13.256.420	**5.182.229**	**211.675**	**18.650.324**

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

NOTE 5 - CASH AND CASH EQUIVALENTS

The details of cash and cash equivalents at 30 September 2013 and 31 December 2012 are as follows:

	30 September 2013	31 December 2012
Cash	1.006.756	727.453
Banks		
- time deposits	44.363.800	94.346.879
- demand deposits	38.985.227	18.357.335
- blocked deposits	34.317	37.525
Total	**84.390.100**	**113.469.192**

The Group has blocked deposits amounting to TL 34.317 as of 30 September 2013 (31 December 2012: TL 37.525). The blocked deposits consist of demand deposits amounting to TL 28.227 (31 December 2012: TL 15.663).

Cash and cash equivalents included in the consolidated statements of cash flows as of 30 September 2013, 31 December 2012, 30 September 2012 and 31 December 2011 are as follows:

	30 September 2013	31 December 2012	30 September 2012	31 December 2011
Cash and banks	84.390.100	113.469.192	88.405.177	281.604.096
Less: Blocked deposits	(34.317)	(37.525)	(29.459)	(35.304)
Less: Interest accruals	(271.465)	(107.381)	(131.655)	(512.641)
Total	**84.084.318**	**113.324.286**	**88.244.063**	**281.056.151**

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

	30 September 2013	31 December 2012
0-1 month	42.703.388	92.251.013
1-3 months	1.666.502	2.117.728
	44.369.890	**94.368.741**

There are no time deposits with variable interest rates at 30 September 2013 and 31 December 2012. The gross interest rate for TL time deposits is 8,83% as of 30 September 2013 (31 December 2012: 7,27%). The gross interest rates of foreign currency denominated time deposits are 4,27 % for Usd (31 December 2012: 2,50%).

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

NOTE 6 - FINANCIAL ASSETS

Financial assets available for sale:

The details of financial assets available for sales as of 30 September 2013 and 31 December 2012 are as presented below:

	Share %	**30 September 2013**	**Share %**	**31 December 2012**
Doğan Faktoring Hizmetleri A.Ş. ("Doğan Factoring")	5,11	1.029.898	5,11	1.029.898
Doğan Dış Ticaret ve Mümessillik A.Ş. ("Doğan Dış Ticaret")	1,75	468.534	1,75	468.534
Coats İplik Sanayi A.Ş.	0,50	257.850	0,50	257.850
Hür Servis Sosyal Hizmetler ve Ticaret A.Ş. ("Hürservis")	19,00	169.166	19,00	169.166
B2C Prodüksiyon Bilişim ve Emlak Danışmanlığı Sanayi Ticaret A.Ş. ("B2C")	15,00	150.000	15,00	150.000
Other	-	155.005	-	151.882
Total		**2.230.453**		**2.227.330**

Financial investments are carried at cost less provision for impairment since they are not being traded in an active market.

As of 30 September 2012, the provision for impairment of financial assets in consolidated income statement is related to Doğan Havacılık which was sold at 11 December 2012 and its movement in the period is as follows:

	2013	**2012**
1 January	**-**	**(2.208.193)**
Provision for impairment	-	(332.150)
30 September	**-**	**(2.540.343)**

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

NOTE 7 - FINANCIAL LIABILITIES

The details of financial liabilities at 30 September 2013 and 31 December 2012 are as follows:

Short-term borrowings:	**30 September 2013**	**31 December 2012**
Bank borrowings (Note 36.ii)	6.666.691	11.855.588
Financial liabilities to suppliers (Note 36.ii)	14.509.590	34.193.200
	21.176.281	**46.048.788**
Short-term portion of long-term financial liabilities (Note 36.ii)	280.598.837	249.699.732
Total	**301.775.118**	**295.748.520**

Long-term financial liabilities:	**30 September 2013**	**31 December 2012**
Bank borrowings (Note 36.ii)	107.309.413	201.449.549
Financial liabilities to suppliers (Note 36.ii)	6.475.886	6.929.212
Total	**113.785.299**	**208.378.761**

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

NOTE 7 - FINANCIAL LIABILITIES (Continued)

Bank borrowings:

The details of bank borrowings at 30 September 2013 and 31 December 2012 are as follows:

	Effective interest rate (%)		Original foreign currency		TL	
	30 September 2013	**31 December 2012**	**30 September 2013**	**31 December 2012**	**30 September 2013**	**31 December 2012**
Short-term bank borrowings						
- Euro	4,0	4,0	21.221	5.041.285	58.324	11.855.588
- TL	-	-	6.608.367	-	6.608.367	-
Sub-total					**6.666.691**	**11.855.588**
Short-term portion of long-term bank borrowings						
- USD	6,2	5,4	131.793.896	134.087.546	268.095.050	239.024.460
- Euro	3,7	5,4	4.549.445	4.539.385	12.503.787	10.675.272
Sub-total					**280.598.837**	**249.699.732**
Total short-term bank borrowings					**287.265.528**	**261.555.320**
Long-term bank borrowings						
- USD	5,4	5,4	50.000.000	110.000.000	101.710.094	196.086.000
- Euro	3,8	3,8	2.037.336	2.280.711	5.599.319	5.363.549
Total long-term bank borrowings					**107.309.413**	**201.449.549**

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

NOTE 7 - FINANCIAL LIABILITIES (Continued)

Bank borrowings (Continued)

The repayment schedules of long-term bank borrowings are as follows:

Year	30 September 2013	31 December 2012
2014	-	108.216.862
2015	103.375.980	90.422.284
2016	1.538.607	1.489.359
2017 and after	2.394.826	1.321.044
Total	**107.309.413**	**201.449.549**

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

Period	30September 2013	31 December 2012
Up to 6 months	394.410.038	461.617.366
6-12 months	-	1.387.503
1 to 5 years	164.903	-
Total	**394.574.941**	**463.004.869**

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

Group borrows loans on fixed and floating interest rates. Distribution of variable and fixed interest loans are presented in Note 36.1 (i).

In December 2013, OOO Pronto Moscow, one of the indirect subsidiaries of the Group, will restructure its bank loan which was dated April 2014 and classified as short term financial liabilities as of 30 September 2013 and 31 December 2012 amounting USD 70.000.000. The maturity of the loan will be extended to April 2015. Besides, the interest rate which was 6,40 % as of 31 December 2012 was decreased to 6,25 % in the current period.

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

NOTE 7 - FINANCIAL LIABILITIES (Continued)

Financial liabilities to suppliers:

Short and long-term financial liabilities to suppliers are related with the purchase of machinery and equipment. Effective interest rates of short-term and long-term financial liabilities to suppliers are 1,47% for Euro and 1,08% for CHF (31 December 2012: Euro: 1,22%, CHF: 1,07%).

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

Year	30 September 2013	31 December 2012
2014	2.083.615	5.146.343
2015 and after	4.392.271	1.782.869
Total	**6.475.886**	**6.929.212**

As of 30 September 2013, the Group’s short-term financial liabilities to suppliers issued at variable interest rate are amounting to TL 14.509.590 (31 December 2012: TL 34.193.200), long-term financial liabilities issued at variable interest rate are amounting to 4.167.230 (31 December 2012: TL 6.929.212) and the long-term financial liabilities issued at fixed interest rate are TL 2.308.656 (31 December 2012: none).

The exposure of the Group’s financial liabilities to suppliers to interest rate changes and the contractual repricing dates are as follows:

Period	30 September 2013	31 December 2012
Up to 6 months	17.508.750	41.122.412
1 to 5 years	3.476.726	-
Total	**20.985.476**	**41.122.412**

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.

The Group’s bank borrowings and financial liabilities to suppliers with variable interest rate are amounting to TL 224.080.776 as of 30 September 2013 (31 December 2012: TL 298.739.972).

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

NOTE 8 - OTHER FINANCIAL ASSETS AND LIABILITIES

Other short term financial assets at 30 September 2013 and 31 December 2012 are as follows:

	30 September 2013	31 December 2012
Derivative assets (Note 19)	-	573.393
Total	**-**	**573.393**

Other short term financial liabilities at 30 September 2013 and 31 December 2012 are as follows:

	30 September 2013	31 December 2012
Derivative liabilities (Note 19)	3.209.825	-
Financial liabilities due to put options (Note 19)	16.273.600	18.207.476
Total	**19.483.425**	**18.207.476**

NOTE 9 - TRADE RECEIVABLES AND PAYABLES

Short-term trade receivables net off of unearned finance income at 30 September 2013 and 31 December 2012 are as follows:

	30 September 2013	31 December 2012
Trade receivables	231.859.157	238.793.913
Notes and cheques receivable	2.755.128	4.029.429
Receivables from credit cards	1.541.074	9.135.537
Income accruals	1.073.021	337.296
	237.228.380	**252.296.175**
Unearned finance income due from term sales	(2.468.492)	(2.015.435)
Less: Provision for doubtful receivables (Note 36)	(55.334.169)	(57.655.704)
Short-term trade receivables	**179.425.719**	**192.625.036**

According to a revocable commitment agreement signed with Doğan Factoring Hizmetleri A.Ş., trade receivables resulting from advertisements, amounting to TL 124.306.968 (31 December 2012: TL 134.954.258) are followed up by Doğan Factoring Hizmetleri A.Ş. ("Doğan Factoring"). Group has not transferred the risk of not collecting the above mentioned receivables and has continued to bear in its balance sheets. These receivables are related to commercial advertisements and some of classified advertisements. The due date of the Group's trade receivables followed up by Doğan Factoring is 96 days (31 December 2012: 98 days). The unearned finance income due from sales with maturity related with the receivables followed up by Doğan Factoring is TL 826.227 (31 December 2012: TL 939.315) and the compound interest rate is 10,03% per annum (31 December 2012: 10,03%).

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

NOTE 9 - TRADE RECEIVABLES AND PAYABLES (Continued)

The movements of provision for doubtful receivables are as follows:

	2013	2012
1 January	**(57.655.704)**	**(55.438.024)**
Additions during the period (Note 28)	(6.210.090)	(5.254.437)
Collections during the period (Note 27)	2.449.495	2.056.151
Currency translation differences	221.832	1.096.707
Write off of uncollectable receivables	5.905.005	-
Disposal of subsidiary	(44.707)	-
30 September	**(55.334.169)**	**(57.539.603)**

Trade payables at 30 September 2013 and 31 December 2012 are as follows:

	30 September 2013	31 December 2012
Short-term trade payables	43.343.312	47.475.832
Expense accruals	3.217.523	3.808.965
Cheques and notes payable	74.105	-
	46.634.940	**51.284.797**
Unrealized financial expenses due to purchases with maturity	(170.838)	(79.748)
Total	**46.464.102**	**51.205.049**

As of 30 September 2013, the due date of Group's trade payables is 52 days (31 December 2012: 51 days). As of 30 September 2013, urealized financial expense is TL 170.838 and the compound interest rate is 10,03% per annum (31 December 2012: 10,03 %).

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

NOTE 10 - OTHER RECEIVABLES AND PAYABLES

Other short-term receivables at 30 September 2013 and 31 December 2012 are as follows:

	30 September 2013	31 December 2012
Notes and cheques receivable (1)	84.160.983	74.771.667
Deposits and guarantees given	643.667	601.398
	84.804.650	**75.373.065**
Unearned financial income	(2.042.388)	(852.821)
Total	**82.762.262**	**74.520.244**

Other long-term receivables at 30 September 2013 and 31 December 2012 are as follows:

	30 September 2013	31 December 2012
Notes receivable (1)	6.992.563	61.276.875
Deposits and guarantees given	1.500.453	1.183.230
Total	**8.493.016**	**62.460.105**

(1) In 2012, the Group has sold the properties that consist of 58.609,45 m2 land and buildings including the building that has been used as company headquarters for 28 years (Hürriyet Media Towers) in Bağcılar, İstanbul to Nurol Garimenkul Yatırım Ortaklığı in consideration of USD 127.500.000 (TL 225.993.750), excluding late interest. USD 17.500.000 of consideration was paid in advance and the remaining portion which amounts to USD 110.000.000 is payable in 32 equal installments starting from 6 March 2012 by applying 3,5% interest for remaining balance after the each payment. As of 30 September 2013, USD 41.250.000 (TL 83.910.750) of the related consideration is recognized as short term notes receivable and USD 3.437.500 (TL 6.992.563) is recognized as long term notes receivable in the accompanying consolidated financial statements. Total collectable interest amount related to principal payments is USD 6.395.692 and USD 1.945.366 of this amount (TL 2.922.170), excluding VAT, has been collected and is recognized as finance income in the accompanying financial statements in the current period. Interest accrual calculated by using the effective interest rate in the current period amounts to USD 123.013 (TL 250.233) and is recognized as short term notes and cheques receivable and finance income in the accompanying financial statements.

Other short-term payables at 30 September 2013 and 31 December 2012 are as follows:

	30 September 2013	31 December 2012
Deposits and guarantees received	531.114	702.231
Total	**531.114**	**702.231**

Other long-term payables at 30 September 2013 and 31 December 2012 are as follows:

	30 September 2013	31 December 2012
Deposits and guarantees received	304.846	170.675
Total	**304.846**	**170.675**

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

NOTE 11 – EMPLOYEE BENEFIT PAYABLES

Employee benefit payables as of 30 September 2013 and 31 December 2012 are as follows:

	30 September 2013	31 December 2012
Social security withholdings payable	4.585.748	3.733.101
Due to personnel	9.441.307	6.370.902
Total	**14.027.055**	**10.104.003**

NOTE 12 - INVENTORIES

	30 September 2013	31 December 2012
Raw materials and supplies	14.743.947	14.271.941
Promotion materials (1)	3.433.841	6.882.221
Finished goods and merchandise	1.291.301	1.451.622
Semi-finished goods	295.305	224.881
	19.764.394	**22.830.665**
Provision for impairment of inventory	(3.783.054)	(3.433.906)
Total	**15.981.340**	**19.396.759**

(1) Promotion materials include promotion materials such as books, CDs and DVDs.

Movements of the provision for impairment of promotion inventories, raw materials and supplies and finished goods and merchandise are as follows:

	2013	2012
1 January	**(3.433.906)**	**(1.941.808)**
Provision of promotion inventories	(194.172)	(363.513)
Reversal of provision of promotion materials	130.783	638.438
Provision of raw materials and supplies	(406.929)	(776.042)
Reversal of provision of raw materials and supplies	121.170	-
Provision of finished goods and merchandise	-	(179.287)
30 September	**(3.783.054)**	**(2.622.212)**

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

NOTE 13 - INVESTMENTS ACCOUNTED BY THE EQUITY METHOD

The investments accounted by the equity method as of 30 September 2013 and 31 December 2012 are as follows:

	Share %	30 September 2013	Share %	31 December 2012
Doğan Media International GmbH ("Dogan Media")	42,42	13.692.802	42,42	5.258.016
ASPM Holding B.V.	37,88	54.923	37,88	-
		13.747.725		**5.258.016**

The summary of Group's share of the financial statements of the investments accounted by the equity method at 30 September 2013 is as follows:

30 September 2013	Total assets	Total liabilities	Net sales	Net loss for the period
Doğan Media	20.975.767	7.282.966	12.513.191	(4.326.051)
ASPM Holding B.V.	85.070	30.147	-	(3.726)
	21.060.837	**7.313.113**	**12.513.191**	**(4.329.777)**

The summary of Group's share of the financial statements of the investments accounted by the equity method at 31 December 2012 and 30 September 2012 is as follows:

31 December 2012	Total assets	Total liabilities	Net sales	Net loss for the period
Doğan Media	19.078.823	13.820.807	49.741.861	(12.007.168)
	19.078.823	**13.820.807**	**49.741.861**	**(12.007.168)**

30 September 2012	Total assets	Total liabilities	Net sales	Net loss for the period
Doğan Media	24.163.948	25.121.923	34.168.656	(8.644.671)
	24.163.948	**25.121.923**	**34.168.656**	**(8.644.671)**

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

NOTE 13 - INVESTMENTS ACCOUNTED BY THE EQUITY METHOD (Continued)

The movements of investments accounted by the equity method during the periods ending at 30 September 2013 and 2012 are as follows:

	2013	2012
1 January	**5.258.016**	**7.423.271**
The effect of change in accounting policy	58.541	-
Restated	**5.316.557**	**7.423.271**
Disposal of associates	13.115.786	-
Loss from associates	(4.329.777)	(7.686.696)
Currency translation differences	(354.841)	263.425
30 September	**13.747.725**	**-**

NOTE 14 - INVESTMENT PROPERTY

The movements in investment property as of 30 September 2013 are as follows:

	1 January 2013	Additions	Disposals	Change in fair value adjustment	30 September 2013
Land	26.109.998	-	-	1.835.000	27.944.998
Buildings	23.941.139	8.083.914	(15.209.858)	1.319.016	18.134.211
	50.051.137	**8.083.914**	**(15.209.858)**	**3.154.016**	**46.079.209**

With the decision taken based on the review done by the group management, investment properties, which were carried at cost less accumulated depreciation under cost method less impairment charges if any in the previous financial statements, are decided to carry at their fair values (Note 2.2.6).

The Group's rent income from investment properties amounted to TL 70.785 as of 30 September 2013 (30 September 2012: none). The Group's direct operating expenses arising from the investment properties in the period amounted to TL 101.636. (30 September 2012: TL 50.402).

The movements in investment property as of 30 September 2012 are as follows:

	1 January 2012	Additions	Disposals	Change in fair value adjustment	30 September 2012
Cost:					
Land	22.995.000	2.306.355	-	808.643	26.109.998
Buildings	19.325.984	9.561.366	(14.395.241)	2.165.915	16.658.024
	42.320.984	**11.867.721**	**(14.395.241)**	**2.974.558**	**42.768.022**

NOTE 15 - PROPERTY, PLANT AND EQUIPMENT

The movements of property, plant and equipment and related accumulated depreciation for the period ended 30 September 2013 are as follows:

	1 January 2013	Currency translation differences	Additions	Disposals	Transfers (1)	Non-current assets held for sale (3)	Disposal of subsidiary (2)	30 September 2013
Cost								
Land and land improvements	23.224.425	1.046.637	-	-	-	(4.571.650)	-	19.699.412
Buildings	153.376.334	3.674.086	113.139	-	(473.151)	-	-	156.690.408
Machinery and equipments	612.730.375	6.782.781	1.306.648	(1.417.808)	56.937	-	-	619.458.933
Motor vehicles	9.915.741	340.320	107.564	(631.117)		-	-	9.732.508
Furniture and fixtures	52.866.926	1.111.055	6.189.871	(1.588.887)		-	(167.652)	58.411.313
Leasehold improvements	36.381.954	53.810	689.719	-	473.151	-	-	37.598.634
Other non-current assets	757.637	123.266	-	-		-	-	880.903
Construction in progress	529.407	11.628	1.666.921	(31.667)	(56.937)	-	-	2.119.352
	889.782.799	**13.143.583**	**10.073.862**	**(3.669.479)**	**-**	**(4.571.650)**	**(167.652)**	**904.591.463**
Accumulated depreciation								
Land and land improvements	(378.298)	-	(38.762)	-	-	-	-	(417.060)
Buildings	(41.551.714)	(1.511.788)	(2.808.234)	-	-	-	-	(45.871.736)
Machinery and equipments	(471.584.453)	(6.226.061)	(24.730.871)	1.185.919	-	-	-	(501.355.466)
Motor vehicles	(6.922.655)	(60.263)	(188.573)	373.728	-	-	-	(6.797.763)
Furniture and fixtures	(35.637.208)	(916.899)	(5.625.275)	1.453.945	-	-	154.612	(40.570.825)
Leasehold improvements	(24.508.776)	(74.821)	(1.655.777)	-	-	-	-	(26.239.374)
Other non-current assets	(751.688)	(255.298)	(138.171)	-	-	-	-	(1.145.157)
	(581.334.792)	**(9.045.130)**	**(35.185.663)**	**3.013.592**	**-**	**-**	**154.612**	**(622.397.381)**
Net book value	**308.448.007**							**282.194.082**

At 30 September 2013, net book value of the property, plant and equipment included in machinery and equipments and acquired through financial leases is amounting to TL 4.472.582 (31 December 2012: TL 5.349.438). At 30 September 2013 there are mortgages on property, plant and equipment amounting to TL 17.864.600 (31 December 2012: TL 15.286.050).

For the period ended at 30 September 2013 depreciation expense amounting to TL 27.062.613 (30 September 2012: TL 27.282.908) is added to cost of sales (Note 24), amounting to TL 8.123.050 (30 September 2012: TL 7.163.857) is added to marketing, selling and distribution and general administrative expenses (Note 25).

(1) As a result of the review of plant property and equipment, additional fixed assets amounting to TL 473.151 are decided to be classified from building to leasehold improvements.

(2) In 2013, the Group has disposed of its entire shares in its subsidiary Moje Delo, spletni marketing d.o.o.(Note 35).

(3) Group has agreed to sale by 9 million USD its land with the size of 17.725,69 m^2 which is located in Esenler, İstanbul. In accordance whith the agreement the land has classified to non-current assets held for sale.

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

NOTE 15 - PROPERTY, PLANT AND EQUIPMENT (Continued)

The movements of property, plant and equipment and related accumulated depreciation for the period ended 30 September 2012 are as follows:

	1 January 2012	Currency translation differences	Additions	Disposals	Transfers	30 September 2012
Cost						
Land and land improvements	40.852.448	(389.608)	-	-	2.093.585	42.556.425
Buildings	165.179.647	(1.632.678)	457.426	(462.904)	(9.735.937)	153.805.554
Machinery and equipments	693.924.022	(1.214.534)	12.164.550	(104.554.660)	11.451.414	611.770.792
Motor vehicles	11.573.299	(312.372)	233.874	(878.144)	-	10.616.657
Furniture and fixtures	106.612.494	(439.745)	6.261.475	(61.272.598)	584.909	51.746.535
Leasehold improvements	25.052.071	95.537	7.288.810	(44.354)	-	32.392.064
Other non-current assets	685.177	(38.229)	84.586	-	-	731.534
Construction in progress	414.290	(59.913)	12.691.256	(163.272)	(12.244.450)	637.911
	1.044.293.448	**(3.991.542)**	**39.181.977**	**(167.375.932)**	**(7.850.479)**	**904.257.472**
Accumulated depreciation						
Land and land improvements	(272.438)	-	(40.544)	-	(52.396)	(365.378)
Buildings	(41.892.377)	195.999	(2.960.699)	39.472	3.627.135	(40.990.470)
Machinery and equipments	(543.029.694)	1.589.745	(24.936.333)	103.904.126	-	(462.472.156)
Motor vehicles	(8.545.165)	99.997	(49.421)	716.964	-	(7.777.625)
Furniture and fixtures	(89.859.756)	562.326	(5.630.273)	59.987.384	-	(34.940.319)
Leasehold improvements	(23.580.234)	6.424	(549.908)	17.656	-	(24.106.062)
Other non-current assets	(400.132)	30.927	(279.587)	-	-	(648.792)
	(707.579.796)	**2.485.418**	**(34.446.765)**	**164.665.602**	**3.574.739**	**(571.300.802)**
Net book value	**336.713.652**					**332.956.670**

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

NOTE 16 - INTANGIBLE ASSETS

i) Goodwill

The movements of goodwill for the periods ended at 30 September are as follows:

	2013	**2012**
1 January	**118.374.132**	**136.195.646**
Currency translation differences	2.830.451	(2.865.302)
Disposal of subsidiary (1) (Note 35)	(6.457.517)	-
Other (2)	137.847	694.355
30 September	**114.884.913**	**134.024.699**

(1)In 2013, the Group has disposed of its entire shares in its subsidiary Moje Delo, spletni marketing, d.o.o. according to the Slovenia statutory legislation.

(2)Represents the changes in the fair value of the put options (Note 2.2.24).

As of 30 September 2013, the goodwill amounting to TL 114.884.913 (30 September 2012: TL 134.024.699) is arising from the acquisition of Group's subsidiary TME which operates in abroad.

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

NOTE 16 - INTANGIBLE ASSETS (Continued)

ii) Other intangible assets

The movements of intangible assets and related accumulated amortization for the period ended 30 September 2013 are as follows:

	1 January 2013	Additions	Disposals	Currency translation differences	Disposal of subsidiary (1)	30 September 2013
Cost						
Trade names and licenses	311.021.324	-	-	22.936.321	-	333.957.645
Customer list	310.305.078	-	-	23.194.447	-	333.499.525
Computer software and rights	73.541.999	2.122.166	(1.574.114)	5.471.706	(927.595)	78.634.162
Internet domain names	26.829.768	2.678.706	(1.393.374)	3.182.936	-	31.298.036
Other intangible assets	6.659.794	49.938	(3.604)	565.039	-	7.271.167
Construction in progress	33.460	501.693	(27.126)	24.796	-	532.823
	728.391.423	**5.352.503**	**(2.998.218)**	**55.375.245**	**(927.595)**	**785.193.358**
Accumulated amortization						
Trade names and licenses	(20.792.733)	(1.102.754)	-	(1.853.770)	-	(23.749.257)
Customer list	(108.189.520)	(14.216.890)	-	(25.343.008)	-	(147.749.418)
Computer software and rights	(54.026.761)	(5.337.462)	1.347.673	(5.576.877)	400.737	(63.192.690)
Internet domain names	(9.727.370)	(2.575.466)	1.301.417	(1.318.304)	-	(12.319.723)
Other intangible assets	(6.174.891)	(401.472)	3.604	(559.893)	-	(7.132.652)
	(198.911.275)	**(23.634.044)**	**2.652.694**	**(34.651.852)**	**400.737**	**(254.143.740)**
Net book value	**529.480.148**					**531.049.618**

Amortization expense amounting to TL 23.634.044 (30 September 2012: TL 23.078.839) has been included in marketing, selling and distribution and general administrative expenses as of 30 September 2013.

(1) In 2013, the Group has disposed of its entire shares in its subsidiary Moje Delo, spletni marketing, d.o.o. (Note 35).

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

NOTE 16 - INTANGIBLE ASSETS (Continued)

ii) Other intangible assets (Continued)

The movements in intangible assets and related accumulated amortization for the period ended 30 September 2012 are as follows:

	1 January 2012	Currency translation differences	Additions	Disposals	Transfers	30 September 2012
Cost						
Trade names and licenses	311.871.261	(5.478.502)	-	-	-	306.392.759
Customer list	309.421.118	(3.490.583)	-	-	-	305.930.535
Computer software and rights	65.428.382	(2.545.688)	3.305.795	(40.756)	4.851	66.152.584
Internet domain names	23.783.299	(455.337)	2.393.463	-	-	25.721.425
Other intangible assets	6.041.315	116.321	501.408	(11.584)	-	6.647.460
Construction in progress	1.127.673	5.081	233.409	-	(4.851)	1.361.312
	717.673.048	**(11.848.708)**	**6.434.075**	**(52.340)**	**-**	**712.206.075**
Accumulated amortization						
Trade names and licenses	(19.324.214)	(969.416)	(1.080.836)	-	-	(21.374.466)
Customer list	(88.936.526)	(13.273.792)	(13.958.876)	-	-	(116.169.194)
Computer software and rights	(47.314.546)	1.134.828	(5.723.232)	35.906	-	(51.867.044)
Internet domain names	(6.959.178)	326.513	(1.986.068)	-	-	(8.618.733)
Other intangible assets	(5.800.648)	(124.638)	(329.827)	-	-	(6.255.113)
	(168.335.112)	**(12.906.505)**	**(23.078.839)**	**35.906**	**-**	**(204.284.550)**
Net book value	**549.337.936**					**507.921.525**

NOTE 16 - INTANGIBLE ASSETS (Continued)

The cost of trade names and licenses with indefinite useful lives amounted to TL 290.201.118 as of 30 September 2013 (31 December 2012: TL 269.360.081). The utilization period of the assets with indefinite useful lives is determined based on the stability of the industry, changes in market demands as to the products and services provided through assets, control period over the assets and legal or similar restrictions on their utilization.

NOTE 17 - GOVERNMENT GRANTS

The Group obtained six investment incentives certificates for the imported equipments amounting to USD 13.805.393 and domestic equipments amounting to TL 1.502.399 for the modernization of its printing plants in Istanbul, Ankara, Izmir, Adana, Antalya and Trabzon on 28 October, 2, 4 November and 30 December 2011. The agreements are valid for two years and equipment imported within the scope of the certificate is exempt from Customs Duty and VAT. The investments amounting to USD 13.595.062 for imported equipments and TL 1.502.399 for domestic equipments are realized within these certificates as of 30 September 2013 (31 December 2012: for the imported equipments amounting to USD 13.450.323, for the domestic equipments amounting to TL 1.279.898).

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

NOTE 18 -PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

As of 30 September 2013 and 31 December 2012, short term provisions are as follows:

	30 September 2013	31 December 2012
Provision for unused vacation rights	16.887.815	14.836.862
Other provisions for lawsuit and compensation	4.044.547	3.680.581
Total	**20.932.362**	**18.517.443**

The movements in provision for unused vacation rights during the periods ended at 30 September are as follows:

	2013	2012
1 January	**(14.836.862)**	**(15.430.714)**
Additions during the period	(6.001.431)	(3.501.229)
Payments during the period and reversal of provision	4.141.859	5.986.986
Currency translation difference	(191.381)	34.215
30 September	**(16.887.815)**	**(12.910.742)**

The lawsuits against the Group amounted to TL 28.722.839 (31 December 2012: TL 26.678.044). The Group recognises provision related to cases when there is a legal or valid liability resulting from past event and it is probable that an outflow of resources will be required to settle the obligation and when a reliable estimation can be made of the amount of the obligation. As a result of these analyses, as of 30 September 2013 the Group has set a provision of TL 4.044.547 for lawsuits (31 December 2012: TL 3.680.581).

As at 30 September 2013 and 31 December 2012, the Group's ongoing lawsuits are as follows:

	30 September 2013	31 December 2012
Legal lawsuits	22.589.150	20.720.990
Commercial lawsuits	3.230.000	3.234.000
Labor lawsuits	2.903.419	2.423.645
Administrative lawsuits	270	299.409
Total	**28.722.839**	**26.678.044**

The movements of provision for lawsuits for the periods ending 30 September are as follows:

	2013	2012
1 January	**(3.680.581)**	**(2.813.326)**
Additions during the period (Note 28)	(743.314)	(756.930)
Payments related to provisions	379.348	637.058
30 September	**(4.044.547)**	**(2.933.198)**

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

NOTE 18 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)

Group's collaterals/pledge/mortgage ("CPM") position as of 30 September 2013 and 31 December 2012 are as follows:

	30 September 2013		31 December 2012	
	Foreign Currency	TL Equivalent	Foreign Currency	TL Equivalent
A. CPM's given in the name of its own legal personality				
-Collaterals				
TL	2.756.333	2.756.333	3.362.593	3.362.593
Euro	25.000	68.710	25.000	58.793
HRK	2.666.054	961.167	2.706.054	842.323
-Mortgages				
TL	-	-	-	-
Euro	6.500.000	17.864.600	6.500.000	15.286.050
B. CPM's given on behalf of the fully consolidated companies (1)				
-Commitments				
TL	955.153	955.153	1.115.751	1.115.751
Euro	4.055.000	11.144.762	4.075.000	9.583.178
C. CPM's given on behalf of third parties for ordinary course of the business	-	-	-	-
D. Total amount of other CPM's given				
i) Total amount of CPM's given on behalf of the majority shareholder	-	-	-	-
ii) Total amount of CPM's given on behalf of other group companies which are not in scope of B and C	-	-	-	-
iii) Total amount of CPM's given on behalf of third parties which are not in scope of C	-	-	-	-
Total		**33.750.725**		**30.248.688**

(1) Commitments given regarding to the borrowings obtained for the main operations of the Group, that are intended to meet various financial needs of subsidiaries.

CPM's given by the Group

There is no CPM's given for third parties as indicated in the table above except CPM's given for their own legal entities. The ratio of other CPM's given against the Group's equity is 0% as of 30 September 2013 (31 December 2012: 0%).

NOTE 19 - COMMITMENTS

The commitments which the management does not expect losses and incidental liability commitments are summarized below:

a) Barter agreements:

The Group, as a common practice in the media sector, enters into barter agreements which involve the exchange of goods or services without cash collections or payments. As of 30 September 2013, the Group has a commitment for the publication of advertisements amounting to TL 8.020.829 (31 December 2012: TL 7.103.533) in exchange for purchasing goods and services and has an option to purchase goods and services amounting to TL 9.194.054 (31 December 2012: TL 15.003.096) in exchange of the goods or services sold.

b) Derivative financial instruments

i) Forward transactions in foreign exchange

In the current period, the Group has made Euro forward transactions related to the bank loan amounting to USD 20.000.000 (31 December 2012: 25.221.500 USD).

Group has conditional forward transactions for which it has right to buy or sell 1 million USD on every monday of each week depending on the market rates, which is valid until 13 January 2014. As of 30 September 2013, financial liability due to fair value of the forward and other derivative transactions which have open status is TL 3.209.825 (As of 31 December 2012, financial asset due to transactions which has open status: TL 573.393).

ii) Interest rate swap transactions

Group had interest rate swap agreement for USD variable interest rate (Libor) of its loan, amounting to USD 10.000.000 with maturity to 2015, to convert EUR variable interest rate (Euribor). Financial expense amounting to TL 402.625 has been recognised during the period regarding to this agreement.

c) Put options

OOO Pronto Moscow Option

The Group has the right to purchase 13% of non-controlling shares from non-controlling shareholders, provided that certain conditions are met related to the Group's subsidiary, Impress Media Marketing LLC ("Impress Media") which was acquired by OOO Pronto Moscow in January 2007. As of 25 May 2012, the Group made a payment of TL 970.389 (USD 527.672) and purchased shares for the remaining non-controlling shares of 10% and the related liability is derecognized accordingly (31 December 2012: TL 970.389). Impress Media has control over the remaining shares representing 3% and purchase option right on these shares is terminated.

NOTE 19 – COMMITMENTS (Continued)

c) Put options (Continued)

Oglasnik d.o.o. Option

The Group was granted a put option, on the remainder of 30% of non-controlling shares during the acquisition of 70% interest of the shares in its subsidiary Oglasnik d.o.o. located in Croatia. The negotiations related with using that put option is still continuing as of the date which the financial statements publicly announced. As of 30 September 2013, the fair value of this option is TL 16.273.600 (USD 8.000.000) (31 December 2012: TL 14.260.800 (USD 8.000.000)) and classified in "other short-term financial liabilities". There is a dispute about the protocol between the parties concerned and an arbitration process is in progress in the presence of Zagreb Court of Arbitration. A declaratory lawsuit has been filed by the non-controlling shareholders against the Group since non-controlling shareholders could not exercise this put option. An alternative compensation is claimed together with the declaratory lawsuit. The third trial of the lawsuit was held on 3 July 2013 and the arbitration procedure is still on progress.

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

NOTE 20 – EMPLOYMENT TERMINATION BENEFITS

Provision for employment termination benefits at 30 September 2013 and 31 December 2012 are as follows:

	30 September 2013	31 December 2012
Provision for employment termination benefits	44.394.862	44.563.930
Total	**44.394.862**	**44.563.930**

Except the legal requirements other than Turkey in which the Group operates, there are no pension plans and benefits.

Under the Turkish Labour Law, the Company is required to pay termination benefits to each employee who has completed one year of service and whose employment is terminated without due cause, or who is called up for military service, dies or retires after completing 25 years of service (20 years for women) and achieves the retirement age (58 for women and 60 for men). At 30 September 2013, the amount payable maximum equals to one month of salary is TL 3.254,44 (31 December 2012: TL 3.033,98) 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. The Group has preferred to early adopt the amendment for IAS 19 which occurred in 2012 and has been effective as of 1 January 2013, therefore the Group has recognized all actuarial gains and losses in other comprehensive income.

The main actuarial assumptions used in the calculation of the total provision for employment benefits are as follows:

-in calculation, the discount rate, inflation rate and real wage increase rate are regarded as 7,69% (31 December 2012: 7,69%), 4,98% (31 December 2012: 4,98%) and 4,98% (31 December 2012: 4,98%), respectively.
-in calculation, ceiling wage amounting to TL 3.254,44 which is valid as of 30 September 2013 (31 December 2012: TL 3.033,98) has been taken into consideration as basis.
-retirement age is regarded as the earliest age at which each employee can retire.

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

NOTE 20 - EMPLOYMENT TERMINATION BENEFITS (Continued)

The movements in provision for employment termination benefits during the periods ended at 30 September are as follows:

	2013	**2012**
1 January	**(44.563.930)**	**(26.158.276)**
Current period service cost	(2.700.145)	(6.155.322)
Net interest expense	(2.080.062)	(1.218.978)
Payments during the period and reversal of provisions	4.949.275	6.327.707
30 September	**(44.394.862)**	**(27.204.869)**

Total costs excluding actuarial loss arising from provision for employment benefits are added to consolidated income statement as of 30 September 2013. As of 30 September 2013, by considering that the effect of the period's personnel turnover on the provision for employee termination benefits is below materiality; provision corresponding to period's share of obligation for employee termination benefits calculated for the year 2013 has been set at the beginning of the year 2013.

NOTE 21 – PREPAID EXPENSES

	30 September 2013	**31 December 2012**
Prepaid expenses (1)	8.272.547	5.312.984
	8.272.547	**5.312.984**

(1) Prepaid expenses are mostly composed of the prepaid rents and insurance expenses.

NOTE 22 - OTHER ASSETS AND LIABILITIES

Other Current Assets

Other current assets at 30 September 2013 and 31 December 2012 are as follows:

	30 September 2013	**31 December 2012**
Advances given to personnel	3.327.615	4.093.805
Value added tax ("VAT") receivables	1.635.497	1.582.473
Job advances	5.656.314	1.375.832
Advances given	50.459	152.395
Other	3.792.000	4.581.024
Provision for other doubtful receivable (-)	(838.090)	(746.910)
Total	**13.623.795**	**11.038.619**

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

NOTE 22 - OTHER ASSETS AND LIABILITIES (Continued)

Other Current Assets (Continued)

Movements of the provision for other doubtful receivables are as follows:

	2013	2012
1 January	**(746.910)**	**(833.005)**
Additions during the period (Note 26)	-	(112.436)
Currency translation difference	(91.180)	197.652
30 September	**(838.090)**	**(747.789)**

Other Non-Current Assets

Other non-current assets at 30 September 2013 and 31 December 2012 are as follows:

	30 September 2013	31 December 2012
Value added tax ("VAT") receivable	767.546	841.327
Prepaid expenses	183.078	171.130
Blocked deposit	18.742	16.754
Other	-	210.153
Total	**969.366**	**1.239.364**

Other Short-Term Liabilities

Other short-term liabilities at 30 September 2013 and 31 December 2012 are as follows:

	30 September 2013	31 December 2012
VAT payable	4.776.301	3.978.764
Other	593.415	180.299
Total	**5.369.716**	**4.159.063**

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

NOTE 23 - EQUITY

The Company adopted the registered share capital system and set a ceiling 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 September 2013 and 31 December 2012 are as follows:

	30 September 2013	**31 December 2012**
Registered share capital	800.000.000	800.000.000
Paid-in share capital	552.000.000	552.000.000

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

Aydın Doğan and Doğan family (Işıl Doğan, Arzuhan Yalçındağ, Vuslat Sabancı, Hanzade V. Doğan Boyner and Y. Begümhan Doğan Faralyalı) are the ultimate parent of the Company.

	30 September 2013	**Share (%)**	**31 December 2012**	**Share (%)**
Doğan Yayın Holding (1)	367.416.194	66,56	367.416.194	66,56
Doğan Holding (1)	61.200.274	11,09	61.200.274	11,09
Registered at Borsa İstanbul and other	123.383.532	22,35	123.383.532	22,35
Issued share capital	**552.000.000**	**100**	**552.000.000**	**100**
Adjustment to share capital	77.198.813		77.198.813	
Total	**629.198.813**	**100**	**629.198.813**	**100**

(1) As of 30 September 2013, 6,56% (31 December 2012: 6,56%) of Hürriyet's share capital belonging to Doğan Yayın Holding which is the main shareholder of the Group, and 11,09% (31 December 2012: 11,09%) of Hürriyet's share capital belonging to Doğan Holding, have "open" status and are in circulation in stock market.

There are no privileged shares in Hürriyet Gazetecilik ve Matbaacılık A.Ş.

In accordance with the Capital Markets Board's (the "CMB") Resolution No: 21/655 issued on 23 July 2010, it is regarded that 21,96% of the shares (31 December 2012: 20,87%) are outstanding as of 30 September 2013 based on the Central Registry Agency's ("CRA") records. 40,00% of Hürriyet's shares are publicly available.

Adjustment to share capital represents the difference between balances which restatement effect of cash contributions to share capital equivalent purchasing power and balance before the inflation adjustment calculated.

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

NOTE 23 – EQUITY (Continued)

Restricted reserves

Restricted reserves are reserves which are reserved from profit of previous period for particular purposes (for instance, to advantage from sales of investment in associates) except dividend distribution or any purposes for necessity of law and agreement.

The legal reserves consist of first and second reserves, appropriated in accordance with the Turkish Commercial Code (TCC). The first legal reserve is appropriated out of statutory profits at the rate of 5% per annum, until the total reserve reaches 20% of the Company's paid-in 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 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 capital. In accordance with the CMB Financial Reporting Standards, Company's restricted reserves amounting TL 167.305.861 (31 December 2012: TL 34.266.877) consist of legal reserves and gain on sales of real estate as of 30 September2013.

Restricted reserves:	**30 September 2013**	**31 December 2012**
1. Composition restricted reserves	31.875.249	25.071.251
2. Composition restricted reserves	7.408.846	7.408.846
Gain on sales of real estate (1)	128.021.766	1.786.780
Total	**167.305.861**	**34.266.877**

(1) With the decision taken by the Group management, the real estate profit with the amount of TL 168.313.315 occurred in statutory records in 2012 from the sale of Hürriyet headquarter and a land located in Esenyurt amounting to TL 126.234.986 that benefits from the exemption (75%) referred to in Article 5-1/e of the Corporate Tax Law will not be involved in allocation of profits for periods 1 January 2012 – 31 December 2012 in compliance with the Tax Legislation, Capital Market Legislation and any other fiscal legislations, and will be deposited in a special fund account in liabilities.

Items that will not be Reclassified to Profit or Loss

Other comprehensive expenses occurred from the losses based on revaluation and measurement and which are not to be reclassified in profit or loss, are related with the defined benefit plans and summarized below.

Remeauserement Losses in Defined Benefit Plans

Provision for employment benefits is calculated by estimating the present value of the future probable obligation arising from the retirement of the employees of the Group. In 2012, the Group has decided to early adopt the amendments to TAS 19 which is applicable as of 1 January 2013 and recognized all actuarial gains and losses in other comprehensive income. Remeasurement loss recognized under equity in the balance sheet amounts to TL 13.610.662.

NOTE 23 – EQUITY (Continued)

Capital Reserves and Retained Earnings

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

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

- If the difference is 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" following "Paid-in 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 valued in accordance with CMB Financial Reporting Standards. Capital adjustment differences can only be included to capital.

Dividend distribution

Listed companies registered on BIST are required to distribute their dividends in accordance with the following criteria set out by CMB:

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

Besides, as required by CMB decision numbered 7/242 dated February 25, 2005; amount of distributable profit, calculated from net distributable profit in accordance with CMB regulations related to minimum dividend distribution requirements shall be fully distributed, wherein the amount could be compensated by net distributable profit per statutory books, otherwise full amount of net distributable profit per statutory books will be distributed. No profit distribution shall be made in the case of net loss in either statutory books or the financial statements prepared in accordance with CMB regulations.

The CMB's requires the disclosure of total amount of net profit in the statutory records and other resources which may be subject to profit distribution in the financial statements that are prepared in accordance with Communiqué Serial XI, No: 29 and to be announced to public. The total gross amount that can be subject to profit distribution according to legal records is TL 178.455.340.

NOTE 23 – EQUITY (Continued)

Capital Reserves and Retained Earnings (Continued)

Dividend distribution (Continued)

The company's Board of Directors has, on the date of 04 April 2013, resolved that:

The shareholders be advised that, according to the consolidated financial statements for the fiscal period of 01.01.2012-31.12.2012, prepared pursuant to the provisions of the Capital Market Board's (CMB) Communiqué Series: XI, No.29 and in accordance with the International Accounting Standards (IAS) and International Financial Reporting Standards (TFRS) and presented in compliance with the related resolutions of the CMB and audited independently; when "tax expenses for the period", "deferred tax revenue" and the "non-controlling interests" are considered together, there is an amount of TL 150.662.628 "Consolidated Net Period Profit"; however, after setting aside the amount of TL 6.803.998, as the "First Legal Reserves", persuant to article 519 of the TCC, deduction of the amount of TL 190.353.127, as "accumulated losses from previous years" and as resolved by the Board of Directors on 14.02.2012 with the meeting number of 2012/08 and on 28.11.2012 with the meeting number of 2012/64, article 5-1/e of the Corporate Tax Law will not be involved in allocation of profits for the period 01 January 2012 – 31 December 2012 in compliance with the Tax Legislation, Capital Market Legislation and any other fiscal legislations, and will be deposited in a special fund account in liabilities and (which is 75% the profit on sale) the amount of TL 126.234.986 gain on sale from real estate , it is determined that there is no "distributable profit for the period" (loss of TL 172.729.483) in accordance with the CMB's regulations on profit distribution; and the related issue be presented for approval to the General Assembly accordingly; It has been determined that the company's fiscal records for the period 01 January 2012 - 31 December 2012 show a net profit amounting to TL 180.216.737 calculated in accordance with Turkish Commercial Code and Tax Procedure Law. Net distributable profit is calculated to be TL 3.040.976 after following deductions are made; taxes payable amounting to TL 16.334.288, prior period loss amounting to TL 44.136.777, primary reserve amounting to TL 6.803.998 calculated in line with Turkish Commercial Code, Article 519; profit from sales of property, plant and equipment which is announced to be kept in a special reserve account in the balance sheet to benefit from the tax exemption as defined by Corporate Tax Legislation, Capital Market Board Legislation , Article Number 5-1 /e, in line with Tax Legislation, Capital Market Board Legislation and all other related rules and regulations. The calculated amount (which is 75% the profit on sale) is TL 126.234.986 and the calculation is made in accordance with Turkish Commercial Cade and Tax procedure Law. The announcement with respect to booking this amount to a special reserve account were made on 14.02.2012 and 28.11.2012 in conjunction with Board Decisions numbered 2012/08 and 2012/64 respectively. Offsetting the prior year loss with the current year profit, the booking of profit from property, plant, equipment sales to a special reserve account and recording TL 3.040.976 as extraordinary reserve will be presented to the approval of General Assembly.

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

NOTE 24 - SALES AND COST OF SALES

Sales

	2013		2012	
	1 January - 30 September	**1 July - 30 September**	**1 January - 30 September**	**1 July - 30 September**
Advertisement sales	398.233.320	121.146.793	410.789.804	126.095.076
Circulation and publishing sales	184.368.542	61.608.937	180.376.486	58.898.378
Other	32.649.423	9.184.142	34.741.695	10.321.790
Net sales	**615.251.285**	**191.939.872**	**625.907.985**	**195.315.244**
Cost of sales	(381.990.334)	(126.303.732)	(385.549.186)	(121.180.940)
Gross profit	**233.260.951**	**65.636.140**	**240.358.799**	**74.134.304**

Cost of Sales

The details of cost of sales for the years ended 30 September are as follows:

	2013		2012	
	1 January - 30 September	**1 July - 30 September**	**1 January - 30 September**	**1 July - 30 September**
Raw material	147.092.961	47.900.451	161.812.730	48.781.805
Paper	*95.008.326*	*30.333.770*	*107.577.515*	*31.515.694*
Printing and ink	*38.315.327*	*12.982.976*	*39.948.132*	*13.177.878*
Other	*13.769.308*	*4.583.705*	*14.287.083*	*4.088.233*
Payroll	131.801.630	42.416.501	124.148.551	39.619.344
Depreciation and amortization charges (Note 15)	27.062.613	8.970.767	27.282.908	9.007.186
Commissions	13.827.564	5.253.378	14.454.075	4.867.817
Distribution, storage and travel	7.303.027	2.438.429	6.745.252	2.375.537
Fuel, electricity, water and office expenses	6.641.177	2.349.536	7.220.211	3.095.385
Rent expenses	6.160.907	1.986.899	5.206.663	2.028.471
Packaging expenses	3.041.622	919.297	4.693.634	1.740.107
Maintenance and repair expenses	4.552.060	1.783.301	4.373.912	1.522.447
Outsourced services	4.050.357	1.262.073	3.630.404	1.135.773
Communication	3.218.272	1.072.906	3.174.652	1.017.384
News agency expenses	3.296.093	1.161.633	3.086.238	1.053.528
Other	23.942.051	8.788.561	19.719.956	4.936.156
	381.990.334	**126.303.732**	**385.549.186**	**121.180.940**

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

NOTE 25 - GENERAL ADMINISTRATION EXPENSES, MARKETING, SELLING AND DISTRIBUTION EXPENSES

a) General administrative expenses:

	2013		2012	
	1 January - 30 September	**1 July - 30 September**	**1 January - 30 September**	**1 July - 30 September**
Payroll	41.285.523	14.745.085	39.982.857	11.630.004
Depreciation and amortization charges (Note 15,16)	31.605.001	10.938.305	30.052.076	9.939.699
Rent	9.508.794	3.236.037	8.474.880	3.084.120
Consultancy	9.281.037	3.384.643	12.174.071	3.816.798
Fuel, electricity, water and office expenses	5.290.004	1.786.327	7.141.205	4.003.734
Transportation, storage and travel	3.057.098	1.029.583	3.245.986	1.246.698
Communication	2.661.680	891.490	3.079.875	972.265
Maintenance and repair expenses	2.385.384	767.525	2.308.223	868.644
Other	7.270.161	2.093.107	7.167.108	326.466
	112.344.682	**38.872.102**	**113.626.281**	**35.888.428**

b) Marketing, selling and distribution expenses:

	2013		2012	
	1 January - 30 September	**1 July - 30 September**	**1 January - 30 September**	**1 July - 30 September**
Advertisement	37.222.898	10.577.118	40.141.142	11.612.637
Transportation, storage and travel	20.831.680	6.683.514	19.755.679	6.345.015
Promotion	18.835.546	6.399.535	17.994.726	5.956.451
Payroll	17.831.510	4.314.170	15.084.904	4.102.092
Outsourced services	2.258.570	674.232	1.561.022	536.254
Sponsorship	1.174.028	270.453	1.140.048	352.146
Depreciation and amortization charges (Note 15,16)	152.093	53.553	190.620	48.631
Other	5.088.876	1.991.566	5.772.507	1.878.551
	103.395.201	**30.964.141**	**101.640.648**	**30.831.777**

NOTE 26 - EXPENSES BY NATURE

	2013		2012	
	1 January - 30 September	**1 July - 30 September**	**1 January - 30 September**	**1 July - 30 September**
Payroll	191.922.699	63.561.121	182.126.134	57.205.799
Depreciation and amortization charges	58.819.707	19.962.625	57.525.604	18.995.516
Total	**250.742.406**	**83.523.746**	**239.651.738**	**76.201.315**

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

NOTE 27 - OTHER OPERATING INCOME

The details of other operating income for the periods ended at 30 September are as follows:

	2013		**2012**	
	1 January - 30 September	**1 July - 30 September**	**1 January - 30 September**	**1 July - 30 September**
Foreign exchange gains	32.708.180	13.632.925	66.889.395	13.339.003
Finance income from trade and other receivables	5.750.992	348.217	6.155.932	2.041.652
Finance income due from term sales	4.904.129	1.119.117	7.400.045	1.981.243
Time deposits interest income	3.828.705	1.530.125	3.717.923	1.079.261
Terminated provisions	2.449.495	418.090	2.119.267	311.985
Unrealized finance expenses due from term purchases	170.838	(604)	71.654	(106.758)
Other	1.908.403	632.053	1.226.696	(92.593)
Total	**51.720.742**	**17.679.923**	**87.580.912**	**18.553.793**

NOTE 28 - OTHER OPERATING EXPENSES

The details of other operating expenses for the periods ended at 30 September are as follows:

	2013		**2012**	
	1 January - 30 September	**1 July - 30 September**	**1 January - 30 September**	**1 July - 30 September**
Foreign exchange losses	12.990.027	4.745.727	23.168.543	(220.111)
Provision for doubtful receivables (Note 9, 22)	6.210.090	2.394.937	5.366.873	847.557
Unrealized finance income due from term sales	2.468.492	1.454.294	1.921.364	(399.385)
Punishment and compensation expense	1.010.804	208.017	1.170.712	483.981
Provision for lawsuits (Note 18)	743.314	(58.867)	756.930	(252.855)
Aids and donations	758.483	359.432	593.846	293.184
Other	4.490.411	1.391.828	1.301.203	1.301.203
Total	**28.671.621**	**10.495.368**	**34.279.471**	**2.053.574**

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

NOTE 29 – INCOME FROM INVESTING ACTIVITIES

The details of income from investing activities for the periods ended at 30 September are as follows:

	2013		2012	
	1 January - 30 September	1 July - 30 September	1 January - 30 September	1 July- 30 September
Foreign exchange gains	3.651.980	301.009	16.562.711	748.204
Gain on changes in fair value	3.154.016	(165.441)	2.974.558	1.802.428
Rent and building service income	2.750.555	901.236	3.560.776	738.939
Gain on sales of property, plant and equipment (1)	623.785	72.269	146.190.822	213.229
Other	-	-	233.536	-
	10.180.336	**1.109.073**	**169.522.403**	**3.502.800**

(1)As of 30 September 2012, amounting to TL 142.905.241 is arising from the sale of Hürriyet headquarter to Nurol Gayrimenkul Yatırım Ortaklığı occurred on 1 February 2012.

NOTE 30 – EXPENSES FROM INVESTING ACTIVITIES

The details of expenses from investing activities for the periods ended at 30 September are as follows:

	2013		2012	
	1 January - 30 September	1 July - 30 September	1 January - 30 September	1 July - 30 September
Loss on sale of property, plant, equipment and investment properties	4.003.193	120.236	6.939.813	1.029.502
Foreign exchange losses	3.749.102	943.547	4.622.301	982.305
Loss on sale of subsidiary and reversal of provision for goodwill impairment (Note 35)	3.176.112	-	-	-
Changes in fair value	-	-	-	(2.306.357)
Provision for impairment on investment properties	-	-	957.975	957.975
	10.928.407	**1.063.783**	**12.520.089**	**663.425**

NOTE 31 – FINANCIAL EXPENSES

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

	2013		2012	
	1 January - 30 September	1 July - 30 September	1 January - 30 September	1 July - 30 September
Foreign exchange losses	49.364.455	17.012.262	26.026.563	3.502.045
Interest expenses on borrowings	18.639.764	6.197.893	23.840.893	7.528.403
Credit commission, banking and factoring expenses	3.194.407	870.502	2.618.735	(194.853)
Tax base increase interest expense under Law: 6111	-	-	416.353	(265.562)
Other	3.073.435	(1.404.327)	3.350.672	(240.233)
	74.272.061	**22.676.330**	**56.253.216**	**10.329.800**

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

NOTE 32 - TAX ASSETS AND LIABILITIES

	30 September 2013	31 December 2012
Corporate and income taxes payable	1.248.999	18.124.177
Less: Prepaid taxes	(2.965.513)	(18.977.244)
Tax receivables	**(1.716.514)**	**(853.067)**

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 countries which Group has significant operations are stated below:

Turkey:

In accordance with Turkish Corporate Tax Law has been amended by Law No. 5520 dated 13 June 2006, corporation tax is 20% for 2013 (2012: 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.

Dividends paid to non-resident corporations, having representative office 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 is not considered as a profit distribution.

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

In accordance with Tax Law No: 5024 "Law Related to Changes in Tax 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 years 2011 and 2012.

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

NOTE 32 - TAX ASSETS AND LIABILITIES (Continued)

Turkey (continued):

Tax authorities can review accounting records within five years and if they determine any errors on the accounting records, tax payable can be reassessed.

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

As of 30 September 2013, the Company has offset its financial losses attributable to the calculation of offsetting of tax asset against deductible financial losses or current tax provision in accordance with the above-mentioned principles.

There are numerous exemptions in the Corporate Income Tax Law. This is one of the exceptions to the Company are described below:

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.

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

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 liabilities and it must be withdrawn from the entity for a period of 5 years. The sales consideration should be collected until the end of the second calendar year following the year the sale was realized.

NOTE 32 - TAX ASSETS AND LIABILITIES (Continued)

Turkey (continued):

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 December 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 year 2006 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 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, dated 9 April 2003 with No. 193 and 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 only 2008. Accordingly, above mentioned 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.

Russian Federation

The corporate tax rate effective in Russian Federation is 20% (2012: 20%).

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.

Tax returns are filed till the 28th of March, following the close of the financial 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 (2012: 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 consolidations of tax reporting/payments by different legal entities (or grouping) are not permitted in Russia at present. Generally, dividend income payable to a foreign organization 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.

NOTE 32 - TAX ASSETS AND LIABILITIES (Continued)

Hungary

The corporate tax rate effective in Hungary is 19% (2012: 19%).

According to Hungary's tax system, there is no time limit while transporting financial damages. 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.

Croatia

The corporate tax rate effective in Croatia is 20% (2012: 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 charges 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 six 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.

NOTE 32 - TAX ASSETS AND LIABILITIES (Continued)

Ukraine

On 4 December 2010, the Tax Code of Ukraine (the "TCU" or the "Code") was adopted and officially published. The TCU comes into effect on 1 January 2011, although some of its provisions come into effect at a later date (the most important of these being Section III, which deals with corporate income tax and came into effect on 1 April 2011). The Code makes essential changes to the existing Ukrainian tax rules, introducing a number of concepts common in other jurisdictions (e.g. beneficial ownership, substance over form) to various degrees.

The tax that companies pay is known as corporate income tax (CIT). Currently, this tax is calculated at a flat rate of 21% (2012: 21%). The most recent changes to Ukrainian tax legislation envisage a gradual reduction in CIT rates, as follows:

21% from 1 January 2012 until 31 December 2012;
19% from 1 January 2013 until 31 December 2013;
16% from 1 January 2014 onwards.

According to domestic tax accounting rules, taxable items are normally recognized on the basis of the accrual method. In accordance with this method, taxable income is generally recognized in the reporting period, in which it was accrued. Cost of sold goods/services is recognized in the period when income is recognized (in line with financial accounting rules).

Other deductible expenses are generally recognized when they are incurred (i.e. upon receipt of goods or services), regardless of the period of payment. However, certain types of taxable income are recognized on a cash basis. This includes fines and financial assistance received from non-residents (unless financial assistance is provided by the company's shareholders and returned within 365 days).

Gross taxable income is defined as any income, from domestic or foreign sources, that is received or accrued by the taxpayer in the course of conducting any activity. This income may be in monetary, tangible or intangible form.

The tax year for CIT is a calendar year, while CIT reporting periods are a calendar quarter, half year, first three quarters and calendar year. Taxpayers must submit tax returns for each reporting period and make quarterly tax payments. Quarterly tax returns must be submitted within 40 days of the last calendar day of each reporting period (10 May, 9 August, 9 November, 9 February). Quarterly tax payments should be made within 50 days of the end of a reporting period.

Belarus

The corporate tax rate effective in Belarus is 18% (2012: 18%).

The tax period is the calendar year. Profit tax is calculated as progressive total. Advance payments are made quarterly, on the basis of either the previous year results or expected current year profits.

The annual corporate tax declaration is due by 20 March of the following year. Tax loss carry forward is not allowed.

Tax refunds are possible. Tax consolidations of tax reporting/payments by different legal entities (or grouping) are not permitted in Belarus at present. Generally, dividend income payable to a foreign organization is subject to withholding tax at 12%. This standard rate may, however, be reduced under the provisions of applicable double tax treaty.

The Belarus tax regulations change frequently.

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

NOTE 32 - TAX ASSETS AND LIABILITIES (Continued)

Kazakhstan

Under the Tax Code of the Republic of Kazakhstan companies shall pay the CIT on taxable income at a 20% rate (2012: 20%).

According to the Tax Code, taxable income is defined as the difference between gross annual income and deductible expenses provided for under the Tax Code taking into account adjustments made. Gross annual income is defined as any income, from domestic or foreign sources, that is received or accrued by a taxpayer during the tax period. This income may be in monetary, tangible or intangible form.

Deductible expenses should be directly associated with generating taxable income from activities performed by a company. An accrual method is applied with respect to income and expenses determination for CIT purposes. According to the tax legislation, losses may be carried forward for 10 years to be deducted from future taxable income.

A tax period for CIT is a calendar year. A taxpayer is to forecast its expected taxable income and calculate advance monthly payments which are due not later than 25th day of each month of the reporting year. The annual CIT return is due by 30 June of the year following the reporting year. Should actual CIT liability be different from the initially estimated advances, taxpayers may correct their tax liabilities during the tax year but not later than 20 December of the reporting tax period. There are other special requirements relative to calculation of advance payments in the Tax Code. The following taxpayers shall be entitled not to calculate and make CIT advance payments:

- Taxpayers whose gross annual income after adjustments for the tax period preceding the previous tax period, did not exceed 325 times the monthly calculation index set by the law on the state budget and effective at January 1 of the relevant financial year;

- Newly created taxpayers – during the tax period in which state registration (record of registration) was carried out with the justice authorities, and also during the subsequent tax period;

- Non-resident legal entities newly registered with the tax authorities as taxpayers, and operating in Kazakhstan through a permanent establishment (PE) without a branch or representative office – during the tax period in which registration with the tax bodies was carried out, and also during the subsequent tax period.

The tax rates at 30 September 2013, 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	20,0
Croatia	20,0	Hungary	19,0
Belarus	18,0	Holland	25,0
Russia	20,0	Ukraine	21,0

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

NOTE 32 - TAX ASSETS AND LIABILITIES (Continued)

Deferred Tax

The Group recognizes deferred tax assets and liabilities based on temporary differences arising between the financial statements as reported for CMB Financial Reporting Standards and financial statements prepared in accordance with the tax legislation. There are deferred tax assets resulting from tax loss carry-forwards and deductible temporary differences, all of which could reduce taxable income in the future in the Group. Partially or wholly recoverable amount of deferred tax assets was estimated in current circumstances. The main factors which are considered include future earnings potential, cumulative losses in recent years, history of loss carry-forwards, other tax assets expiring and tax planning strategies when needed. In the light of data obtained, if Group's taxable profit will be obtained in future is not enough to meet all deferred tax assets, partially or wholly of deferred tax is reserved.

	30 September 2013	31 December 2012
Deferred tax liabilities	105.643.954	112.550.695
Deferred tax assets	(16.052.296)	(14.489.554)
Deferred tax liabilities, net	**89.591.658**	**98.061.141**

The temporary differences and deferred tax assets / (liabilities) using the enacted tax rates as of 30 September 2013 and 31 December 2012 are as follows:

	Total temporary differences		Deferred tax assets / (liabilities)	
	2013	2012	2013	2012
Provision for employment benefits and unused vacation rights	61.282.677	59.400.792	12.265.864	11.832.801
Difference between tax base and carrying value of trade receivables	15.834.855	20.516.409	3.166.971	4.010.511
Investment incentives	56.958.599	58.002.806	824.500	951.447
Carry forward tax losses (1)	40.976.278	28.873.709	8.195.256	5.774.742
Investment properties valuation difference	1.086.991	(12.386.955)	561.159	32.064
Deferred revenue	1.528.899	1.594.318	305.780	318.863
Difference between tax bases and carrying value of property, plant and equipment and intangibles	(607.157.761)	(607.388.434)	(121.431.552)	(121.690.968)
Other, net	31.597.914	2.865.973	6.520.364	709.399
Total	**(397.891.548)**	**(448.521.382)**	**(89.591.658)**	**(98.061.141)**

(1) As of 30 September 2013, carry forward tax losses for which no deferred income tax asset was recognised amounted to TL 121.548.756 (31 December 2012: TL 113.620.671).

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

NOTE 32 - TAX ASSETS AND LIABILITIES (Continued)

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

	30 September 2013	31 December 2012
2014	495.482	495.482
2015 and after	40.480.796	28.378.227
Total	**40.976.278**	**28.873.709**

The movements of net deferred tax liabilities for the periods ended 30 September are as follows:

	2013	2012
1 January	**(98.061.141)**	**(104.006.060)**
Deferred tax income at the consolidated statement of income	(15.619.769)	5.376.437
Currency translation differences	(7.146.669)	1.035.335
Disposal of subsidiary	(3.617)	-
30 September	**89.591.658**	**(97.594.288)**

The analysis of the tax expense / (income) for the periods ended at 30 September are as follows:

	2013		2012	
	1 January - 30 September	1 July - 30 September	1 January - 30 September	1 July - 30 September
Current	5.064.963	(1.155.633)	20.179.605	2.688.112
Deferred	(15.619.769)	(9.137.226)	(5.376.437)	518.860
	(10.554.806)	**(10.292.859)**	**14.803.168**	**3.206.972**

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

NOTE 32 - TAX ASSETS AND LIABILITIES (Continued)

The reconciliation of the current period tax expense in the consolidated statement of income for the periods ended at 30 September and consolidated tax and the tax (income) / expense calculated with the current tax rate over income before tax and non-controlling interests are as follows:

	30 September 2013	30 September 2012
(Loss) / profit before taxes and non-controlling interests	(38.718.248)	171.455.713
Current period tax expense / (income) calculated at the effective tax rates of countries	(12.449.647)	33.658.879
Expenses not deductible for tax purposes	2.750.041	3.660.170
Effect of financial losses which the deferred tax assets not calculated	2.635.279	3.546.018
Effect of share losses investments accounted by the equity method	884.226	1.537.339
Carry forward losses utilized	(4.940.146)	(3.079.756)
Tax on dividend distributions	(163.772)	-
Income exempt from tax	(228.523)	(21.499.823)
Other, net	957.736	(3.019.659)
Tax (income) / expense	**(10.554.806)**	**14.803.168**

NOTE 33 – (LOSS) / PROFIT PER SHARE

(Loss) / profit per share is calculated by dividing the net (loss) / profit for the period attributable to equity holders of the company to the weighted average number of ordinary shares in issue. (Loss) / profit per share as of 30 September 2013 is as follows:

	2013		2012	
	1 January - 30 September	1 July - 30 September	1 January - 30 September	1 July - 30 September
Net (loss) / profit for the period	(21.108.253)	(9.010.637)	157.219.233	9.087.022
Number of ordinary shares in issue (with nominal value of TL 1 each)	552.000.000	552.000.000	552.000.000	552.000.000
(Loss) / earning per share (TL)	**(0,0382)**	**(0,0163)**	**0,2848**	**0,0165**

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

NOTE 34 - RELATED PARTY DISCLOSURES

For the purpose of accompanying consolidated financial statements, related parties are referred to as legal entities in which Doğan Holding directly or indirectly has participation, including any entities under joint control; real persons and/or legal entities that have direct or indirect control or joint control over the Company and their and their close family members (immediate family members) and legal entities having direct or indirect control or joint control by them and legal entities having significant effect over the Company or their key management personnel; Company's affiliates, subsidiaries and members of the BOD, key management and their close family member (immediate family members) and real persons and/or legal entities that are directly or indirectly controlled individually or jointly. As of 30 September 2013, 31 December 2012 and 30 September 2012, related party balances and transactions are described below.

i) Balances of related parties:

Short term receivables due from related parties:

	30 September 2013	31 December 2012
Short term trade receivables from related parties		
Doğan İnternet Yayıncılığı ve Yatırım A.Ş. ("Doğan İnternet") (1)	8.254.669	6.085.323
Doğan Gazetecilik A.Ş. ("Doğan Gazetecilik") (2)	7.672.142	7.200.095
Doğan Dağıtım Satış ve Pazarlama A.Ş. ("Doğan Dağıtım") (3)	5.683.256	4.048.701
Doğan Media International GmbH ("Doğan Media") (4)	4.660.770	1.214.173
Milta Turizm İşletmeleri A.Ş. ("Milta") (5)	3.088.762	1.066.230
Doğan Burda Dergi Yayıncılık ve Pazarlama A.Ş. ("Doğan Burda") (6)	549.313	547.655
Doğan Egmont Yayıncılık ve Yapımcılık A.Ş. ("Doğan Egmont") (7)	162.121	111.837
D- Market Elektronik Hizmetler ve Tic. A.Ş. ("D Market") (8)	50.793	528.969
Mozaik İletişim Hizmetleri A.Ş. ("Mozaik")	65.010	11.746
Işıl İthalat	-	593.930
Other	1.639.384	1.143.761
Allowance for doubtful receivables	(799.004)	(799.004)
	31.027.216	**21.915.410**
Short term other receivables from related parties		
Doğan Media (9)	5.420.990	2.992.773
	36.448.206	**24.908.183**

(1) Medyanet and Doğan İnternet Yayıncılığı ve Yatırım A.Ş. have been merged on 8 February 2013. Transactions made with these two companies are shown in the same line for all periods. The balance is arising from sales of internet commercials to Doğan İnternet Yayıncılığı ve Yatırım A.Ş. through websites.

(2) Receivable arising from printing newspapers of Doğan Gazetecilik in the Group's printing houses.

(3) Receivables arising from the daily distribution of newspapers of the Group.

(4) Receivables arising from printing of Doğan Media newspapers in the Hürriyet Frankfurt Germany plants.

(5) Receivables arising from the sale of Doğan Havacılık.

(6) The receivable is arising from the Group's commercial advertisement sales to Doğan Burda Dergicilik together with fason printing of magazine, book and insert.

(7) The receivable is arising from the commercial advertisement sales.

(8) The receivable is arising from the commercial advertisement sales.

(9) The balance is arising from the financial debt provided to Doğan Media at an amount of EUR 1.972.417.

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

NOTE 34 - RELATED PARTY DISCLOSURES (Continued)

i) Balances of related parties (Continued):

Short term receivables due from related parties (Continued):

Movement of allowance for doubtful receivables:

	2013	2012
1 January	(799.004)	(799.004)
Collections	-	-
30 September	**(799.004)**	**(799.004)**

Short term payables to related parties:

	30 September 2013	31 December 2012
Short term trade payables to related parties		
DTV Haber ve Görsel Yayıncılık A.Ş. ("Kanal D") (1)	1.639.506	-
Galata Wind Enerji A.Ş. ("Galata Wind") (2)	1.600.929	1.508.161
Doğan Dış Ticaret ve Mümessillik A.Ş. ("Doğan Dış Ticaret") (3)	1.016.081	567.987
Falcon Purchasing Services Ltd. ("Falcon") (4)	876.470	1.352.173
Doğan Holding (5)	586.713	644.018
Doğan Müzik Kitap Mağazacılık ve Pazarlama A.Ş. ("Doğan Müzik Kitap")	479.809	142.828
Ortadoğu Otomotiv Ticaret A.Ş. ("Ortadoğu Otomotiv")	177.029	53.201
Doğanlar Sigorta Aracılık Hizmetleri Ltd. Şti.	139.754	48.986
Doğan TV Dijital Platform İşl. A.Ş. (Doğan TV Digital")	129.621	142.432
Milta Turizm	63.920	21.143
Doğan Yayın Holding	44.061	224.384
Doruk Televizyon ve Radyo Yayıncılık ("Doruk Televizyon")	10.915	-
Other	203.651	219.596
	6.968.459	**4.924.909**
Short term other payables to related parties		
Doğan Holding	54.098	-
	7.022.557	**4.924.909**

(1) The balance is arising from Group's commercials.

(2) The balance is arising from electricity energy provided for the Hürriyet building and printing houses in regions.

(3) The Group's raw materials are provided by Doğan Dış Ticaret.

(4) Arising from cost of paper purchased by Hürriyet Zweigniederlassung GmbH.

(5) The balance is arising from financial, legal, information technology and other consultancy services together with other services which are received from Doğan Holding.

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

NOTE 34 - RELATED PARTY DISCLOSURES (Continued)

ii) Significant transactions with related parties:

Transactions in related parties for the periods ended as of 30 September 2013 and 2012 are as follows:

Significant service and product sales to related parties:

	2013		2012	
	1 January - 30 September	1 July - 30 September	1 January - 30 September	1 July - 30 September
Doğan Dağıtım(1)	75.686.029	23.914.558	74.874.590	24.692.387
Doğan Gazetecilik(2)	18.886.129	6.348.427	19.793.425	5.771.250
Doğan Internet Yayıncılık(3)	11.992.271	3.651.009	7.635.497	2.263.088
Doğan Media(4)	8.788.957	2.799.099	10.738.963	3.521.222
Kanal D(5)	2.964.938	1.343.487	2.684.175	1.082.047
D Market(6)	2.830.670	1.521.758	366.789	35.086
Doğan Burda(7)	2.414.959	704.456	3.387.500	875.871
Mozaik	1.266.045	380.336	1.051.442	751.793
Doruk Televizyon	1.262.926	310.597	1.177.663	379.215
Doğan Egmont	965.554	268.808	1.060.287	343.544
Doğan TV Digital Platform İşl. A.Ş.	2.904	1.008	500.595	249
Doğan Yayın Holding A.Ş.		-	60.805	14.179
Doğan Müzik Kitap	203.653	55.147	239.869	19.020
Other	584.519	199.200	564.898	252.580
	127.849.554	**41.497.890**	**124.136.498**	**40.001.531**

(1) The group makes the sales of daily newspapers to Doğan Dağıtım.

(2) The newspapers owned by Doğan Gazetecilik are printed in the Group's printing houses.

(3) Medyanet and Doğan Internet Yayıncılığı ve Yatırım A.Ş. have been merged on 8 February 2013. Transactions made with these two companies are shown in the same line for all periods. The sales of internet commercials of the Group are carried out through Doğan İnternet Yayıncılığı ve Yatırım A.Ş.

(4) The sale and the commercial of Hürriyet Europe edition are carried out by Doğan Media.

(5) The balance is arising from the Group's commercial advertisement sales to Kanal D.

(6) The balance is arising from the Group's commercial advertisement sales to D Market.

(7) The Group provides the printing services of fason magazine, book and insert to Doğan Burda together with the sale of commercial advertisement.

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

NOTE 34 - RELATED PARTY DISCLOSURES (Continued)

ii) Significant transactions with related parties (Continued):

Significant service and product purchases from related parties:

	2013		2012	
	1 January - 30 September	1 July - 30 September	1 January - 30 September	1 July - 30 September
Doğan Dış Ticaret (1)	91.228.344	29.751.325	60.962.788	20.303.890
Doğan Dağıtım (2)	16.728.857	5.763.269	16.903.672	5.381.270
Galata Wind(3)	4.346.404	1.616.104	-	-
Falcon(4)	4.289.330	1.884.546	4.081.513	1.167.727
Doğan Holding(5)	4.035.810	1.348.104	-	-
Kanal D(6)	2.919.098	470.886	7.416.417	979.327
Ortadoğu Otomotiv(7)	2.750.471	958.950	2.109.561	970.766
Milta(8)	2.440.727	704.238	1.562.608	706.752
Doğan TV Digital Platform A.Ş.(9)	2.363.063	877.331	3.521.511	902.996
Doğan Gazetecilik(10)	2.180.616	735.496	1.636.956	842.539
Doğan Müzik Kitap	1.723.343	560.332	1.336.416	459.428
Mozaik	848.696	271.600	971.004	491.618
Doğan Internet Yayıncılık	817.363	341.372	903.209	138.900
Doruk Televizyon	602.669	118.840	415.328	112.452
D Yapım Reklamcılık ve Dağıtım A.Ş. ("D Yapım Reklamcılık")	447.581	107.600	625.667	183.883
Doğan Burda	410.081	120.890	344.515	120.807
Doğan TV Radyo	244.495	70.080	677.129	190.787
Kutup Televizyon	118.966	26.000	214.175	214.175
Doğan Media	74.350	34.756	77.402	31.451
Işıl Ithalat	-	-	46.325.921	13.330.168
Doğan Yayın Holding(5)	-	-	5.122.282	1.483.691
Other	1.306.170	315.416	565.187	299.596
	139.876.434	**46.077.135**	**155.773.261**	**48.312.223**

(1) The Group's raw materials are provided by Doğan Dış Ticaret and Işıl Ithalat.
(2) 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.
(3) The balance is arising from electricity energy provided for the Hürriyet building and printing houses in regions.
(4) Hürriyet Zweigniederlassung GmbH, one of the subsidiaries of the Group, has started to purchase of paper from Falcon since 2012.
(5) Financial, legal, information technology and other consultancy services together with other services which had been received from Doğan Yayın Holding A.Ş. in the prior period have started to be provided by Doğan Şirketler Grubu Holding A.Ş. in the current period.
(6) The balance is arising from Group's commercials.
(7) The balance is arising from rent and other expenses of the Group's building, which is rented from Ortadoğu Otomotiv in Ankara region.
(8) The balance is comprised of part of the Group's car rental, organization and transportation expenses provided by Milta.
(9) Doğan Iletişim and Doğan TV Digital Platform Işl. A.Ş. have been merged on 30 April 2012. Transactions made with these two companies are shown in the same line for all periods.
(10) The balance is arising from rent, security and other expenses of the Group's building, which is rented as headquarter.

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

NOTE 34 - RELATED PARTY DISCLOSURES (Continued)

ii) Significant transactions with related parties (Continued)

	2013		2012	
Other income:	**1 January - 30 September**	**1 July - 30 September**	**1 January - 30 September**	**1 July - 30 September**
Doğan Dış Ticaret	1.245.513	395.605	598.344	226.985
Doğan Media	544.836	340.185	297.197	96.718
Doğan Dağıtım	411.874	137.184	609.732	136.469
Doğan Gazetecilik	56.096	18.701	186.036	58.248
Doğan Burda	49.909	13.609	373.495	36.421
D-Market (1)	19.532	9.766	-	-
Doğan Yayın Holding (2)	4.114	-	75.992	-
Işıl Ithalat	-	-	758.433	252.811
Doğan TV Digital Platform A.Ş.	3.816	2.046	142.957	2.585
Other	55.724	15.996	288.414	32.814
	2.391.414	**933.092**	**3.330.600**	**843.051**

(1) Hürriyet Gazetecilik ve Matbaacılık A.Ş. has sold its internet site named "yenicarsim.com" which operates within the Company, its trademarks and trade names related with the site, together with the licences and furniture and fixtures to D-Market Elektronik Hizmetler ve Ticaret A.Ş. The amount represents the income from sale.

(2) Income due from the sale of the Entity's shares on Doğan Gazetecilik to Doğan Yayın Holding on 21 April 2013.

Other income, amounting to TL 1.689.544 from related parties, consists of rent income. (30 September 2012: TL 2.976.819)

	2013		2012	
Purchase of property, plant and equipment and intangible asset:	**1 January - 30 September**	**1 July - 30 September**	**1 January - 30 September**	**1 July - 30 September**
Doğan TV Digital Platform A.Ş.	129.571	57.516	167.947	41.940
Doğan Media	46.376	-	-	-
D-Market	19.296	-	29.316	15.091
Doğan Gazetecilik	-	-	124.684	-
Milpa	-	-	100.234	-
Other	5.452	2.805	8.113	5.813
	200.695	**60.321**	**430.294**	**62.844**

	2013		2012	
Financial income:	**1 January - 30 September**	**1 July - 30 September**	**1 January - 30 September**	**1 July - 30 September**
Doğan Media	295.750	295.750	7.856.650	297.000
Doğan Holding (1)	200.934	65.504	94.165	94.165
Other	-	-	17.519	10.945
	496.684	**361.254**	**7.968.334**	**402.110**

(1) In 2011, the Group borrowed a financial debt amounting to USD 51.500.000 from Doğan Holding and the last principal payment of the debt was made on 5 July 2012. Financial income due to realized foreign exchange has occurred with regard to this debt.

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

NOTE 34 - RELATED PARTY DISCLOSURES (Continued)

ii) Significant transactions with related parties (Continued)

	2013		2012	
Financial expenses:	**1 January - 30 September**	**1 July - 30 September**	**1 January - 30 September**	**1 July - 30 September**
Doğan Holding (1)	2.467.643	519.010	3.536.939	19.942
Doğan Factoring	591.079	167.808	925.775	541.154
Doğan Yayın Holding	2.437	157	474	211
	3.061.159	**686.975**	**4.463.188**	**561.307**

(1) In 2011, the Group borrowed a financial debt amounting to USD 51.500.000 from Doğan Holding and the last principal payment of the debt was made on 5 July 2012. Similarly, the Group borrowed a financial debt amounting to USD 15.000.000 from Doğan Holding in 2013. Financial expense, due to realized foreign exchange and interest, has occured with regard to this debt.

Key Management Personnel:

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, transportation and post-employment benefits.

	2013		2012	
	1 January - 30 September	**1 July - 30 September**	**1 January - 30 September**	**1 July - 30 September**
Salaries and other short term benefits	4.693.017	1.417.595	4.158.614	1.479.084
Post-employment benefits	1.235.931	-	142.769	-
	5.928.948	**1.417.595**	**4.301.383**	**1.479.084**

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

NOTE 35 - DISPOSAL OF SUBSIDIARY

In 2013, the Group has disposed of its entire shares in its subsidiary Moje Delo, spletni marketing, d.o.o. according to the Slovenia statutory legislation.

Book value of net assets disposed of	**30 September 2013**
Current assets	
Cash and cash equivalents	267.687
Trade receivables	168.209
Other receivables	117.566
Other current assets	25.521
Non-current assets	
Tangible and intangible assets	511.185
Deferred tax assets	3.617
Short-term liabilities	
Trade payables	678.394
Other payables	70.539
Other short-term liabilities	425.044
Net assets disposed of	**(80.192)**

Loss on sale of subsidiary	
Group's share on net assets disposed of (55%)	(44.105)
Goodwill (Note 16)	6.457.517
Consideration:	
Consideration paid in cash and cash equivalents	3.237.300
Deferred sales proceeds	-
Net cash inflow on disposal:	
(Less) cash and cash equivalent balances disposed of	(267.687)
Total cash obtained from sale	2.969.613
Loss on sale of subsidiary (Note 30)	**(3.176.112)**

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

NOTE 36 - FINANCIAL RISK MANAGEMENT

36.1 Financial Risk Management

(i) Interest rate risk

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

	30 September 2013	31 December 2012
Financial instruments with fixed interest rate		
Loans and receivables	135.523.435	229.564.464
Financial liabilities (Note 7)	197.439.712	205.387.309
Financial instruments with floating interest rate		
Financial liabilities (Note 7)	218.120.705	298.739.972

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 September 2013, 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 profit for the period before tax and non-controlling interests would have been lower/higher by TL 813.375 (30 September 2012: TL 1.125.578).

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

NOTE 36 - FINANCIAL RISK MANAGEMENT (Continued)

36.1 Financial Risk Management (Continued)

(ii) Liquidity risk

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

30 September 2013	**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 (Note 7)	415.560.417	434.229.651	31.847.407	284.449.847	117.932.397	-
Derivative financial liabilities (Note 8)	3.209.825	3.209.825	-	3.209.825	-	-
Other financial liabilities (Note 8)	16.273.600	16.273.600	-	16.273.600	-	-
Trade payables						
- Related party (Note 34)	*6.968.459*	*6.968.459*	*6.968.459*	-	-	-
- Other (Note 9)	*46.464.102*	*46.634.940*	*7.956.661*	*38.678.279*	-	-
Other payables						
- Related party (Note 34)	*54.098*	*54.098*	*54.098*	-	-	-
- Other (Note 10)	*890.058*	*890.058*	*585.212*	-	*304.846*	-

31 December 2012	**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 (Note 7)	504.127.281	530.245.874	91.551.053	217.663.564	220.760.575	270.682
Other financial liabilities (Note 8)	18.207.476	18.207.476	-	18.207.476	-	-
Trade payables						
- Related party (Note 34)	*4.924.909*	*4.924.909*	*4.924.909*	-	-	-
- Other (Note 9)	*51.205.049*	*51.284.797*	*13.993.256*	*37.291.541*	-	-
Other payables						
- Other (Note 10)	*872.906*	*872.906*	*702.231*	-	*170.675*	-

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

NOTE 36 - FINANCIAL RISK MANAGEMENT (Continued)

36.1 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 September 2013, the Group has long-term bank borrowings amounting to TL 107.309.413 (31 December 2012: TL 201.449.549) and long-term trade payables to suppliers amounting to TL 6.475.886 (31 December 2012: TL 6.929.212) (Note 7).

(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 credit amount of any individual counterparty. The credit risk is generally highly spread due to the large number of entities comprising the customer bases.

Aging analysis for trade receivables:

As of 30 September 2013 there are past due trade receivables amounting to TL 104.567.199 which are not considered as doubtful receivables (31 December 2012: TL 96.089.440). The Group does not foresee any collection risk for the delay up to one month due to sector dynamics and conditions. The Group restructures the trade receivables by applying due date differences which are due over one month and/or the Group does not foresee any collection risk since they are under coverage of guarantees such as mortgage, indemnity or guarantee notes. As of 30 September 2013, the amount of mortgage and indemnity received is TL 12.752.209 for the related receivables. (31 December 2012: TL 12.677.246)

As of 30 September 2013 and 31 December 2012, aging analysis for trade receivables that are past due but not impaired are as follows:

	30 September 2013		**31 December 2012**	
	Related party	**Other receivables**	**Related party**	**Other receivables**
0-1 month	6.462.020	23.208.785	9.440.546	28.147.683
1-3 months	5.485.373	33.411.880	5.573.647	22.755.795
3-6 months	102.945	13.474.843	41.817	14.680.406
6-12 months	1.511.597	14.955.757	82.030	9.699.486
1-2 years	-	5.953.999	-	5.668.030
	13.561.935	**91.005.264**	**15.138.040**	**80.951.400**

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

NOTE 36 - FINANCIAL RISK MANAGEMENT (Continued)

36.1 Financial Risk Management (Continued)

(iii) Credit Risk (Continued)

As of 30 September 2013 and 31 December 2012, aging analysis for trade receivables that are past due and impaired is as follows:

Impaired	**30 September 2013**	**31 December 2012**
Past due 0 - 3 months	650.944	696.997
Past due 3 - 6 months	1.851.122	959.039
Past due 6 months and over	52.832.103	55.999.668
Less: Provision for impairment (Note 9)	(55.334.169)	(57.655.704)

The balance of related party receivables that are past due and impaired as of 30 September 2013 is TL 799.004 (31 December 2012: TL 799.004). There is no trade receivable which is not over due and impaired as of 30 September 2013.

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

NOTE 36 - FINANCIAL RISK MANAGEMENT (Continued)

36.1 Financial Risk Management

(iii) Credit Risk (Continued)

The Group's credit risk of financial instruments as of 30 September 2013 is as follows:

	Trade receivables		Other receivables		Bank	Other
30 September 2013	**Related party**	**Other**	**Related party**	**Other**	**deposits**	**assets**
Maximum credit risk exposure as of balance sheet date	**31.027.216**	**179.425.719**	**5.420.990**	**91.255.278**	**83.383.344**	**18.742**
- The part of maximum credit risk under guarantee with collateral	-	***16.336.532***	-	-	-	-
A. Net book value of financial assets that are not past due/impaired	17.465.281	88.420.455	5.420.990	91.255.278	83.383.344	18.742
- The part under guarantee with collateral	-	*3.403.279*	-	-	-	-
B. Net book value of financial assets that are renegotiated if not that will be accepted as past due or impaired	-	-	-	-	-	-
C. Carrying value of financial assets that are past due but not impaired	13.561.935	91.005.264	-	-	-	-
- The part under guarantee with collateral	-	*12.933.253*	-	-	-	-
D. Net book value of impaired asset						
- Past due (gross carrying amount)	799.004	55.334.169	-	838.090	-	-
- Impairment (-)	(799.004)	(55.334.169)	-	(838.090)	-	-
- 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	-	-	-	-	-	-

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

NOTE 36 - FINANCIAL RISK MANAGEMENT (Continued)

36.1 Financial Risk Management (Continued)

(iii) Credit Risk (Continued)

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

	Trade receivables		Other receivables				
31 December 2012	**Related party**	**Other**	**Related party**	**Other**	**Bank deposits**	**Derivative instruments**	**Other assets**
Maximum credit risk exposure as of balance sheet date	**24.908.183**	**192.287.740**	**-**	**136.980.349**	**112.741.739**	**573.393**	**16.754**
- The part of maximum credit risk under guarantee with collateral	**-**	***16.151.125***	**-**	**-**	**-**	**-**	**-**
A. Net book value of financial assets that are not past due/impaired	9.770.143	111.336.340	-	136.980.349	112.741.739	573.393	16.754
- The part under guarantee with collateral	-	*3.473.879*	-	-	-	-	-
B. Net book value of financial assets that are renegotiated if not that will be accepted as past due or impaired	-	-	-	-	-	-	-
C. Carrying value of financial assets that are past due but not impaired (Note 9)	15.138.040	80.951.400	-	-	-	-	-
- The part under guarantee with collateral	-	*12.677.246*	-	-	-	-	-
D. Net book value of impaired asset							
- Past due (gross carrying amount)	799.004	57.655.704	-	746.910	-	-	-
- Impairment (-)	(799.004)	(57.655.704)	-	(746.910)	-	-	-
- 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	-	-	-	-	-	-	-

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

NOTE 36 - FINANCIAL RISK MANAGEMENT (Continued)

36.1 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 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 September 2013 and 31 December 2012 are as follows:

	30 September 2013	31 December 2012
Assets	177.211.331	257.859.640
Liabilities	(466.366.960)	(555.238.493)
Net asset / (liability) position of off-balance sheet derivatives	30.559.734	19.261.171
Net foreign currency position	**(258.595.895)**	**(278.117.682)**

Following exchange rates have been used in the translation of foreign currency denominated balance sheet items as of 30 September 2013: 2,0342 TL= 1 USD and 2,7484 TL=1 Euro (31 December 2012: 1,7826 TL= 1 USD and 2,3517 TL=1 Euro).

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

NOTE 36 - FINANCIAL RISK MANAGEMENT (Continued)

36.1 Financial Risk Management (Continued)

(iv) Foreign currency risk (Continued)

The table summarizes the foreign currency position risk as of 30 September 2013 and 31 December 2012. The carrying amount of foreign currency denominated assets and liabilities of the Group are as follows:

30 September 2013	**TL Equivalent**	**USD**	**Euro**	**Other**
1. Trade Receivables	17.381.122	739.116	7.648.168	8.993.838
2a. Monetary Financial Assets (Cash, Banks included)	49.270.025	17.321.718	4.088.401	27.859.906
2b. Non-Monetary Financial Assets	-	-	-	-
3. Other	103.370.802	84.492.281	141.358	18.737.163
4. Current Assets (1+2+3)	**170.021.949**	**102.553.115**	**11.877.927**	**55.590.907**
5. Trade Receivables	-	-	-	-
6a. Monetary Financial Assets	-	-	-	-
6b. Non-Monetary Financial Assets	-	-	-	-
7. Other	7.189.382	6.992.562	13.742	183.078
8. Non-Current Assets (5+6+7)	**7.189.382**	**6.992.562**	**13.742**	**183.078**
9. Total Assets (4+8)	**177.211.331**	**109.545.677**	**11.891.669**	**55.773.985**
10. Trade Payables	16.422.007	3.514.845	2.367.972	10.539.190
11. Financial Liabilities (Note 7)	295.166.751	268.095.144	20.921.272	6.150.335
12a. Other Monetary Financial Liabilities	40.950.189	473.983	258.386	40.217.820
12b. Other Non-Monetary Financial Liabilities	-	-	-	-
13. Current Liabilities (10+11+12)	**352.538.947**	**272.083.972**	**23.547.630**	**56.907.345**
14. Trade Payables	-	-	-	-
15. Financial Liabilities (Note 7)	113.785.299	101.710.000	12.075.299	-
16a. Other Monetary Financial Liabilities	42.718	-	-	42.718
16b. Other Non-Monetary Financial Liabilities	-	-	-	-
17. Non-Current Liabilities (14+15+16)	**113.828.017**	**101.710.000**	**12.075.299**	**42.718**
18. Total Liabilities (13+17)	**466.366.960**	**373.793.972**	**35.622.929**	**56.950.059**
19. Net asset / liability position of off-balance sheet derivatives (19a-19b)	**30.559.734**	**73.068.796**	**(42.509.062)**	**-**
19a. Off-balance sheet foreign currency derivative assets	**73.068.796**	**73.068.796**	**-**	**-**
19b. Off-balance sheet foreign currency derivative liabilities	**42.509.062**	**-**	**42.509.062**	**-**
20. Net foreign currency asset liability position (9-18+19)	**(258.595.895)**	**(191.179.499)**	**(66.240.322)**	**(1.176.074)**
21. Net foreign currency asset / liability position of monetary items (1+2a+5+6a-10-11-12a-14-15-16a)	**(399.715.817)**	**(355.733.138)**	**(23.886.360)**	**(20.096.319)**
22. Fair value of foreign currency hedged financial assets	**-**	**-**	**-**	**-**

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

NOTE 36 - FINANCIAL RISK MANAGEMENT (Continued)

36.1 Financial Risk Management (Continued)

(iv) Foreign currency risk (Continued)

31 December 2012	TL Equivalent	USD	Euro	Other
1. Trade Receivables	17.452.649	497.495	8.109.173	8.845.981
2a. Monetary Financial Assets (Cash, Banks included)	163.189.703	123.615.392	13.241.094	26.333.217
2b. Non-Monetary Financial Assets	-	-	-	-
3. Other	15.724.718	1.071.897	162.066	14.490.755
4. Current Assets (1+2+3)	**196.367.070**	**125.184.784**	**21.512.333**	**49.669.953**
5. Trade Receivables	-	-	-	-
6a. Monetary Financial Assets	-	-	-	-
6b. Non-Monetary Financial Assets	-	-	-	-
7. Other	61.492.570	61.276.875	-	215.695
8. Non-Current Assets (5+6+7)	**61.492.570**	**61.276.875**	**-**	**215.695**
9. Total Assets (4+8)	**257.859.640**	**186.461.659**	**21.512.333**	**49.885.648**
10. Trade Payables	13.398.849	2.362.821	2.467.502	8.568.526
11. Financial Liabilities (Note 7)	295.748.520	240.584.431	38.345.036	16.819.053
12a. Other Monetary Financial Liabilities	37.674.928	4.160.288	1.121.613	32.393.027
12b. Other Non-Monetary Financial Liabilities	-	-	-	-
13. Current Liabilities (10+11+12)	**346.822.297**	**247.107.540**	**41.934.151**	**57.780.606**
14. Trade Payables	-	-	-	-
15. Financial Liabilities (Note 7)	208.378.761	196.085.999	12.292.762	-
16a. Other Monetary Financial Liabilities	37.435	-	-	37.435
16b. Other Non-Monetary Financial Liabilities	-	-	-	-
17. Non-Current Liabilities (14+15+16)	**208.416.196**	**196.085.999**	**12.292.762**	**37.435**
18. Total Liabilities (13+17)	**555.238.493**	**443.193.539**	**54.226.913**	**57.818.041**
19. Net asset / liability position of off-balance sheet derivatives (19a-19b)	**19.261.171**	**33.372.946**	**(14.111.775)**	**-**
19a. Off-balance sheet foreign currency derivative assets	**33.372.946**	**33.372.946**	**-**	**-**
19b. Off-balance sheet foreign currency derivative liabilities	**14.111.775**	**-**	**14.111.775**	**-**
20. Net foreign currency asset liability position (9-18+19)	**(278.117.682)**	**(223.358.934)**	**(46.826.355)**	**(7.932.393)**
21. Net foreign currency asset / liability position of monetary items (1+2a+5+6a-10-11-12a-14-15-16a)	**(374.596.141)**	**(319.080.652)**	**(32.876.646)**	**(22.638.843)**
22. Fair value of foreign currency hedged financial assets	**-**	**-**	**-**	**-**

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

NOTE 36 - FINANCIAL RISK MANAGEMENT (Continued)

36.1 Financial Risk Management (Continued)

(iv) Foreign currency risk (Continued)

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

30 September 2013	**Profit / Loss**	
	Foreign currency appreciation	**Foreign currency depreciation**
If the US dollar had changed by 10% against the TL		
USD net (liabilities) / assets	(26.424.830)	26.424.830
Hedging amount of USD	-	-
USD net effect on (loss) / income	**(26.424.830)**	**26.424.830**
If the EUR had changed by 10% against the TL		
Euro net (liabilities) / assets	(2.373.126)	2.373.126
Hedging amount of Euro	-	-
Euro net effect on (loss) / income	**(2.373.126)**	**2.373.126**
If other foreign currency had changed by 10% against the TL		
Other foreign currency net (liabilities) / assets	(117.607)	117.607
Hedging amount of other foreign currency	-	-
Other foreign currency net effect on (loss) / income	**(117.607)**	**117.607**

31 December 2012	**Profit / Loss**	
	Foreign currency appreciation	**Foreign currency depreciation**
If the US dollar had changed by 10% against the TL		
USD net (liabilities) / assets	(33.304.243)	33.304.243
Hedging amount of USD	-	-
USD net effect on (loss) / income	**(33.304.243)**	**33.304.243**
If the EUR had changed by 10% against the TL		
Euro net (liabilities) / assets	(6.863.492)	6.863.492
Hedging amount of Euro	-	-
Euro net effect on (loss) / income	**(6.863.492)**	**6.863.492**
If other foreign currency had changed by 10% against the TL		
Other foreign currency net (liabilities) / assets	(5.496.167)	5.496.167
Hedging amount of other foreign currency	-	-
Other foreign currency net effect on (loss) / income	**(5.496.167)**	**5.496.167**

NOTE 36 - FINANCIAL RISK MANAGEMENT (Continued)

36.2 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, judgment is necessarily required to interpret market data to estimate the fair value. Accordingly, the estimates presented herein are not necessarily indicative of the amounts the Group could realize in a current market exchange.

The following methods and assumptions 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 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.

36.3 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in and to provide returns for shareholders 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 fulfill net debt / equity ratio as stated in the contracts of the related bank borrowings.

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

NOTE 36 - FINANCIAL RISK MANAGEMENT (Continued)

36.3 Capital risk management (Continued)

The net liability/total equity ratio at 30 September 2013 and 31 December 2012 are as follows:

	30 September 2013	31 December 2012
Total liability (1)	570.054.290	674.501.320
Less: Cash and cash equivalents (Note 5)	(84.390.100)	(113.469.192)
Net liability	485.664.190	561.032.128
Equity	750.734.198	747.673.255
Total capital	552.000.000	552.000.000
Net liability / Total equity ratio	**0,88**	**1,02**

(1) It is calculated by subtracting income tax liability, derivative financial liability and deferred tax liability from total liability.

36.4 Fair value of financial instruments

The fair values of financial assets and financial liabilities are determined as follows:

• Level 1: The fair values of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices.

• Level 2: The fair values of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions.

• Level 3: The fair values of the financial assets and financial liabilities are determined in accordance with the unobservable current market data.

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

NOTE 36 - FINANCIAL RISK MANAGEMENT (Continued)

36.4 Fair value of financial instruments (Continued)

Level classification of financial assets and liabilities that are valued with their fair values are as follows:

		Fair value as of reporting date		
	30 September	Level 1	Level 2	Level 3
Financial assets	2013	TL	TL	TL
Financial assets at FVTPL				
Investment properties	46.079.209	-	46.079.209	-
Total	46.079.209	-	46.079.209	-

		Fair value as of reporting date		
	30 September	Level 1	Level 2	Level 3
Financial liabilities	2013	TL	TL	TL
Derivative instruments	3.209.825	-	3.209.825	-
Other financial liabilities	16.273.600	-	-	16.273.600
Total	19.483.425	-	3.209.825	16.273.600

		Fair value as of reporting date		
	31 December	Level 1	Level 2	Level 3
Financial assets	2012	TL	TL	TL
Financial assets at FVTPL				
Derivative instruments	573.393	-	573.393	-
Total	573.393	-	573.393	-

		Fair value as of reporting date		
	31 December	Level 1	Level 2	Level 3
Financial liabilities	2012	TL	TL	TL
Other financial liabilities	18.207.476	-	-	18.207.476
Total	18.207.476	-	-	18.207.476

NOTE 37 – SHARES IN OTHER ENTITIES

Informations related with the subsidiaries over which the Group has non-controlling shares and does not own totally:

Summary of the financial informations of TME, a subsidiary over which the Group has non-controlling shares, are stated below. These summarized financial informations represent the amounts without considering the related party eliminations.

	30 September 2013
Current assets	62.091.921
Non current assets	601.694.402
Current liabilities	237.722.715
Non current liabilities	103.478.875
Equity attributable to equity holders of the parent company	236.735.303
Non-controlling interests	85.849.430

	1 January-30 September 2013
Revenue	151.397.207
Costs	(179.420.944)
Net loss for the period	**(28.023.737)**
Allocation of net loss for the period:	
Attributable to equity holders of the parent company	(19.108.561)
Attributable to non-controlling interests	(8.915.176)
Net loss for the period	**(28.023.737)**

NOTE 38 - SUBSEQUENT EVENTS

Group has entered an agreement to sale the land located in Esenyurt Istanbul that covers 17.725,69 m^2 area in consideration of USD 9 millions. It is planned to complete sale process till 30 June 2014.

The consolidated financial statements for the period ended 30 September 2013 were approved by the Board of Directors on 7 November 2013. Other than Board of Directors has no authority to change financial statements.