

**KİLER ALIŞVERİŞ  
HİZMETLERİ GIDA SANAYİ  
VE TİCARET A.Ş.  
CONDENSED INTERIM  
CONSOLIDATED FINANCIAL STATEMENTS  
AS OF AND FOR THE PERIOD ENDED  
01.01. – 31.03.2014**

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**KİLER ALIŞVERİŞ HİZMETLERİ GIDA SANAYİ VE TİCARET A.Ş.**  
**CONDENSED CONSOLIDATED FINANCIAL POSITION AT 31.03.2014 AND 31.12.2013**

(All amounts in thousands of Turkish Lira (TL) unless indicated otherwise.)

	Note	Not reviewed 31.03.2014	Audited 31.12.2013
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	4	174.991	36.360
Financial investments	5	--	184
Trade receivables			
- Trade receivables from related parties	26	4.310	1.827
- Trade receivables from third parties	7	1.337	1.874
Other receivables			
- Other receivables from related parties	26	25.473	45.149
- Other receivables from third parties	8	36.432	1.945
Inventories	9	365.363	345.843
Prepaid expenses	16	15.659	15.225
Other current assets		814	750
<b>Total current assets</b>		<b>624.379</b>	<b>449.157</b>
<b>Non-current assets</b>			
Financial investments	5	54	54
Investment property	10	65.851	65.851
Property, plant and equipment	11	136.612	140.683
Intangible assets			
- Goodwill	13	70.509	70.509
- Other intangible assets	12	492	532
Prepaid expenses	16	1.321	1.716
Deferred tax assets	24	13.833	14.455
<b>Total non-current assets</b>		<b>288.672</b>	<b>293.800</b>
<b>TOTAL ASSETS</b>		<b>913.051</b>	<b>742.957</b>

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

**KİLER ALIŞVERİŞ HİZMETLERİ GIDA SANAYİ VE TİCARET A.Ş.**  
**STATEMENTS OF CONDENSED INTERIM**  
**CONSOLIDATED FINANCIAL POSITION**  
**AT 31.03 2014 AND 31.12.2013**

(All amounts in thousands of Turkish Lira (TL) unless indicated otherwise.)

	Note	Not reviewed 31.03.2014	Audited 31.12.2013
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Financial liabilities	6	99.042	222.617
Short term portion of long term financial liabilities	6	61.102	22.277
Trade payables			
- Trade payables to related parties	26	2.802	5.443
- Trade payables to third parties	7	220.272	224.140
Other payables			
- Other payables to related parties	26	5.344	3.970
- Other payables to third parties	8	219	5.736
Deferred Income		81	55
Provisions			
- Other provisions	14.a	9.033	9.551
Employee benefit obligations	15.a	8.299	8.273
Other current liabilities		1.596	2.610
<b>Total current liabilities</b>		<b>407.790</b>	<b>504.672</b>
<b>Non- current liabilities</b>			
Financial liabilities	6	304.608	19.563
Long-term provisions			
- Provision for employment termination benefits	15.b	7.546	7.708
Deferred tax liability	24	18.291	17.889
<b>Total non-current liabilities</b>		<b>330.445</b>	<b>45.160</b>
<b>EQUITY</b>			
<b>Equity attributable to owners of the parent</b>			
Paid in capital	17.a	134.620	134.620
Share premium	17.b	66.150	66.150
Other comprehensive income / loss not to be reclassified to profit or loss			
- Actuarial gain/loss arising from defined benefit plans	17.c	(2.106)	(2.814)
- Revaluation reserve	17.d	14.410	14.416
- Other gain/loss	17.e	5.156	5.156
General reserves	17.f	(24.979)	636
Net profit (loss) for the period		(19.075)	(25.321)
<b>Non-controlling interests</b>		<b>640</b>	<b>282</b>
<b>Total equity</b>		<b>174.816</b>	<b>193.125</b>
<b>Total liabilities and equity</b>		<b>913.051</b>	<b>742.957</b>

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

**KİLER ALIŞVERİŞ HİZMETLERİ GIDA SANAYİ VE TİCARET A.Ş.**  
**CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS**  
**FOR THE INTERIM PERIODS 01.01.-31.03.2014 AND 01.01.-31.03.2013**

(All amounts in thousands of Turkish Lira (TL) unless indicated otherwise.)

	Note	Not reviewed 01.01.- 31.03.2014	<i>Restated(*)</i> Not reviewed 01.01.- 31.03.2013
Revenue	18	239.813	227.515
Cost of sales	18	(179.267)	(171.986)
<b>Gross profit</b>		<b>60.546</b>	<b>55.529</b>
General and administrative expenses (-)		(43.338)	(43.935)
Marketing and selling expenses (-)		(12.619)	(8.543)
Other operating income	20	1.158	542
Other operating expenses(-)		(1.652)	(598)
<b>Operating profit</b>		<b>4.095</b>	<b>2.995</b>
Income from investment activities	21	127	256
Expenses from investment activities (-)	21	--	(11)
<b>Operating income before financial expense</b>		<b>4.222</b>	<b>3.240</b>
Financing income	22	6.316	2.076
Financing expense (-)	23	(28.732)	(12.026)
<b>Profit before tax from continuing operations</b>		<b>(18.194)</b>	<b>(6.710)</b>
<b>Tax on profit from continuing operations</b>			
Tax charge for the period (-)	24	--	(193)
Deferred tax income (expense)	24	(844)	868
<b>Profit (loss) from continuing operations</b>		<b>(19.038)</b>	<b>(6.035)</b>
<b>Net profit attributable to</b>			
Non-controlling interests		37	(80)
Equity holders of the Company		(19.075)	(5.955)
<b>Earnings per share</b>	25	<b>(0,10)</b>	<b>(0,04)</b>

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

(\*) See note 2.4

**KİLER ALIŞVERİŞ HİZMETLERİ GIDA SANAYİ VE TİCARET A.Ş.**  
**CONDENSED CONSOLIDATED STATEMENTS OF OTHER COMPREHENSIVE INCOME**  
**FOR THE INTERIM PERIODS 31.03.2014 AND 31.03.2013**

(All amounts in thousands of Turkish Lira (TL) unless indicated otherwise.)

	<i>Restated(*)</i>	
	<b>Not reviewed</b>	<b>Not reviewed</b>
	<b>01.01.-</b>	<b>01.01.-</b>
	<b>31.03.2014</b>	<b>31.03.2013</b>
<b>Net loss for the period</b>	<b>(19.038)</b>	<b>(6.035)</b>
<b>Other comprehensive income</b>		
<b>Items not to be reclassified to profit or loss in subsequent periods</b>		
- Actuarial gain / loss	911	(574)
- Tax effects	(182)	115
<b>Other comprehensive income / loss</b>	<b>729</b>	<b>(459)</b>
<b>Total comprehensive loss</b>	<b>(18.309)</b>	<b>(6.494)</b>
<b>Attributable to</b>		
Non-controlling interests	58	(90)
Equity holders of the parent	(18.367)	(6.404)

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

(\*) See note 2.4

**KİLER ALIŞVERİŞ HİZMETLERİ GIDA SANAYİ VE TİCARET A.Ş.**  
**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
**FOR THE INTERIM PERIODS 31.03.2014 AND 31.01.2013**

(All amounts in thousands of Turkish Lira (TL) unless indicated otherwise.)

	Share capital	Share premium	Items that will not be reclassified subsequently to profit or loss			Retained earnings		Attributable to owners of the parent	Non-controlling interest	Total equity
			Actuarial gain / loss	Revaluation gains / losses	Other gains / losses	Accumulated profit / loss	Net profit / loss			
<b>Balances at 01.01.2013</b>	<b>134.620</b>	<b>66.150</b>	--	<b>14.441</b>	<b>5.156</b>	<b>(7.647)</b>	<b>5.664</b>	<b>218.384</b>	<b>463</b>	<b>218.847</b>
<b>Reclassification effect-IAS 19 , note 2.7</b>	--	--	<b>(2.594)</b>	--	--	<b>1.644</b>	<b>950</b>	--	--	--
Transfers	--	--	--	--	--	6.614	(6.614)	--	--	--
Depreciation on buildings measured with fair value	--	--	--	(6)	--	6	--	--	--	--
Total comprehensive income	--	--	(449)	--	--	--	(5.955)	<b>(6.404)</b>	(90)	<b>(6.494)</b>
<b>Balances at 31.03.2013</b>	<b>134.620</b>	<b>66.150</b>	<b>(3.043)</b>	<b>14.435</b>	<b>5.156</b>	<b>617</b>	<b>(5.955)</b>	<b>211.980</b>	<b>373</b>	<b>212.353</b>
<b>Balances at 01.01.2014</b>	<b>134.620</b>	<b>66.150</b>	<b>(2.814)</b>	<b>14.416</b>	<b>5.156</b>	<b>636</b>	<b>(25.321)</b>	<b>192.843</b>	<b>282</b>	<b>193.125</b>
Transfers	--	--	--	--	--	(25.321)	25.321	--	--	--
Depreciation on buildings measured with fair value	--	--	--	(6)	--	6	--	--	--	--
Total comprehensive income	--	--	708	--	--	--	(19.075)	(18.367)	58	<b>(18.309)</b>
<b>Balances at 31.03.2014</b>	<b>134.620</b>	<b>66.150</b>	<b>(2.106)</b>	<b>14.410</b>	<b>5.156</b>	<b>(24.679)</b>	<b>(19.075)</b>	<b>174.476</b>	<b>340</b>	<b>174.816</b>

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

**KİLER ALIŞVERİŞ HİZMETLERİ GIDA SANAYİ VE TİCARET A.Ş.**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**FOR THE INTERIM PERIODS 31.03.2014 AND 31.03.2013**  
(All amounts in thousands of Turkish Lira (TL) unless indicated otherwise.)

	Note	Not reviewed 01.01.- 31.03.2014	<i>Restated(*)</i> Not reviewed 01.01.- 31.03.2013
<b>A. Cash Flows From Operating Activities</b>			
<b>Loss for the period</b>		<b>(19.038)</b>	<b>(6.035)</b>
Depreciation expenses	11	4.246	4.109
Amortisation expenses	12	40	39
Adjustments to the profit (loss) on sale of property, plant and equipment	21	(118)	(256)
Provision for employment termination benefits	15.b	1.280	667
Provision for doubtful receivables		13	17
Adjustment to other provision expenses	14.a	(518)	(136)
Interest expense	23	11.656	9.392
Interest income	22	(1.011)	(1.439)
Unearned interest on receivables	23	57	104
Unearned interest on payables	22	1.045	246
Tax income / expense		848	(869)
<b>Operating income before changes in assets and liabilities related with operating activities</b>		<b>(1.500)</b>	<b>5.839</b>
Changes in trade receivables		(1.999)	718
Changes in trade payables		(7.554)	5.387
Changes in inventories		(19.520)	120
Changes in other receivables		(14.828)	4.110
Adjustment to prepaid expenses		(39)	(17.200)
Changes in other assets		(64)	756
Changes in other liabilities		(988)	2.292
Changes in other payables		(4.143)	(1.206)
Changes in deferred income		26	(100)
Employee termination benefits paid	15.b	(531)	(400)
<b>Net cash provided from operating activities</b>		<b>(51.140)</b>	<b>316</b>
<b>B. Cash flows from investing activities</b>			
Purchase of property, plant and equipment	11	(284)	(1.461)
Sale of property, plant and equipment and intangible assets		221	410
Changes in financial investments, net		184	(250)
<b>Net cash provided by investing activities</b>		<b>121</b>	<b>(1.301)</b>
<b>C. Cash flows from financing activities</b>			
Proceeds from borrowings		331.988	65.033
Repayment of borrowings		(131.693)	(49.051)
Interest paid		(11.656)	(9.392)
Interest received		1.011	1.439
<b>Net cash provided (used) in financing activities</b>		<b>189.650</b>	<b>8.029</b>
<b>Net increase/decrease in cash and cash equivalents (A+B+C)</b>		<b>138.631</b>	<b>7.044</b>
<b>D. Cash and cash equivalents at beginning of year</b>		<b>36.360</b>	<b>43.017</b>
<b>Cash and cash equivalents at end of period (A+B+C+D)</b>	<b>4</b>	<b>174.991</b>	<b>50.061</b>

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

(\*)See note 2.4



**KİLER ALIŞVERİŞ HİZMETLERİ GIDA SANAYİ VE TİCARET A.Ş.**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**AS OF AND FOR THE INTERIM PERIOD ENDED 31.03.2014**

(All amounts in thousands of Turkish Lira (TL) unless indicated otherwise.)

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**NOTE 1 – ORGANIZATION AND NATURE OF ACTIVITIES**

Kiler Alışveriş Hizmetleri Gıda Sanayi ve Ticaret Anonim Şirketi (“Kiler” or “Kiler Alışveriş”) was established in 1994 in Istanbul. Kiler is mainly engaged in retail and wholesale of essential goods. As at 31.03.2014, Kiler has 134 stores (31.12.2013: 140 ) and together with its consolidated subsidiary total number of stores is 202 (31.12.2013: 208).

As at 31.03.2014, Kiler has 3.347 employees (31.12.2013: 3.458)

Kiler’s registered address is Namık Kemal Neighborhood, Kiler Road, Number: 96 Floor: 4 Esenyurt, Istanbul

In the accompanying condensed consolidated financial statements, Kiler Alışveriş Hizmetleri Gıda Sanayi ve Ticaret A.Ş. is referred to as (“the Company”) and together with the subsidiary is referred to as (“the Group”).

**Kiler Ankara Mağazacılık Sanayi ve Ticaret A.Ş.”**

Kiler Ankara Mağazacılık Sanayi ve Ticaret A.Ş. (“Kiler Ankara”), was established in Ankara under the name of Canerler Gıda San. ve Tic. A.Ş. and is engaged in retail sale. In 2005 47% of the shares of Canerler Gıda (new name Kiler Ankara) were sold to the Kiler Alışveriş. In 2011 Kiler Alışveriş is purchased shares from Canerler family again and the percentage is increased from 47% to 96%. As at 31.03.2013, there were 68 stores in Ankara (under the banner of Kiler) (31.12.2013:68).

As at 31.03.2014, the number of personnel employed was 1.611 (31.12.2013: 1.661).

The registered address of Kiler Ankara is; Çamlıca Mahallesi 12. Sokak No: 8 Macunköy Yenimahalle, Ankara.

**NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS**

**2.1 Basis of Presentation**

The accompanying condensed financial statements are prepared in accordance with the CMB’s Communiqué Serial II, No: 14.1, “Principles of financial reporting in capital markets” (“the Communiqué”) published in the Official Gazette numbered 28676 on 13 June 2013. According to the article 5 of the Communiqué, financial statements are prepared in accordance with Turkish Accounting Standards/Turkish Financial Reporting Standards (“TAS/IFRS”) and its addendum and interpretations (“IFRIC”) issued by Public Oversight Accounting and Auditing Standards Authority (“POAASA”) Turkish Accounting Standards Board.

The Company prepared its condensed interim financial statements for the period ended 31.03.2013, in accordance with TAS 34 “Interim Financial Reporting” in the framework of the Communiqué Serial XII No: 14.1 and its related announcements.

The Company’s financial statements do not include all disclosures and notes that should be included at period end financial statements. Therefore financial statements should be read in conjunction with the period end financial statements.

The Company and its Turkish subsidiaries maintain their books of account and prepare their statutory financial statements in accordance with accounting principles in the Turkish Commercial Code (“TCC”) and tax legislation. The consolidated financial statements are based on the statutory records with adjustments and reclassifications for the purpose of fair presentation in accordance with IFRS.

The accompanying condensed consolidated financial statements of the Group has been prepared in accordance of CMB’s "Financial Statements and Notes About Formats Announcement" dated 7 June 2013.

The financial statements for the period ended 30 March 2014 (including comparatives) were approved by the board of directors on 12.05.2014.

**KİLER ALIŞVERİŞ HİZMETLERİ GIDA SANAYİ VE TİCARET A.Ş.**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**AS OF AND FOR THE INTERIM PERIOD ENDED 31.03.2014**

(All amounts in thousands of Turkish Lira (TL) unless indicated otherwise.)

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## **2.2 Going Concern**

The Group prepares their financial statements in accordance with the principles of going concern.

## **2.3. Measurement currency and reporting currency**

The condensed consolidated financial statements are presented by the Group's measurement and reporting currency "TL". The consolidated financial statements have been prepared based on cost method except financial assets and liabilities measured with fair value.

## **2.4. Comparable financial information and reclassification of prior period financial statements**

For the compatibility of the current financial statements the comparative financial statements are reclassified if necessary, and material differences are disclosed

As of 31.03.2013, term difference income arising from trade receivables and payables amounting to TL 56, which was accounted under "financing income", was reclassified to "other operating income".

As of 31.03.2013, term difference expenses arising from trade receivables and payables amounting to TL 1.269, which was accounted under "financing expense", was reclassified to "other operating expense".

As of 31.03.2013, interest cost of provision of employee termination benefits amounting to TL 293, which was accounted under "General administrative expenses", was reclassified to "Financial expenses".

As of 31.03.2013, profit on sale of fixed assets and positive difference in valuation of investment properties amounting to TL 256 which was accounted under "other operating income", was reclassified to "income from investment activities".

As of 31.03.2013, loss on sale of fixed assets and impairment of goodwill amounting to TL 11, which was accounted under "other operating income", was reclassified to "expenses from investment activities".

## **2.5. Offsetting**

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

## **2.6. Basis of consolidation**

Consolidated financial statements include financial statements which are prepared as of the same date, of the Company and Subsidiaries

The consolidation policy adopted by the Company in the preparation of its financial statements is explained below:

The condensed consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company. Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The balance sheet and income statement of the Group are consolidated on a line-by-line basis. All intra-group transactions, balances, income and expenses are eliminated on consolidation. Minority interests in the net assets of consolidated subsidiaries are identified separately from the Group's equity therein. Minority interests consist of the amount of those interests at the date of the original business combination and the minority's share of changes in equity since the date of the combination.

**KİLER ALIŞVERİŞ HİZMETLERİ GIDA SANAYİ VE TİCARET A.Ş.**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**AS OF AND FOR THE INTERIM PERIOD ENDED 31.03.2014**

(All amounts in thousands of Turkish Lira (TL) unless indicated otherwise.)

The condensed consolidated subsidiary is detailed below;

Consolidated company	Economic interest (%)		Ownership interest rate (%)	
	31.03.2014	31.12.2013	31.03.2014	31.12.2013
Kiler Ankara Mağazacılık Sanayi ve Ticaret A.Ş.	96	96	96	96

### 2.7. Changes in accounting policies, estimates and correction of errors

The effect of a change in accounting policy is applied retrospectively and prior period financial statements are issued again. If the changes in accounting estimation are in accordance with only one period, it is carried out in the same changing period but if the changes are in accordance with forward periods, it is carried out in the changing period and for forward periods.

The correction of fundamental errors that relate to the current period is normally included in the determination of net profit or loss for the current period. The correction of fundamental errors that relate to prior periods requires the restatement of the comparative information or the presentation of additional pro forma information. The amount of the correction of a fundamental error that relates to prior periods should be reported by adjusting the opening balance of retained earnings. Comparative information should be restated, unless it is impracticable to do so.

The group measured its investment properties and its land and buildings with cost method until 31.12.2009. On 31.12.2009 the Group chooses to measure its investment properties and land and buildings with fair value method.

TAS 19, Employee Termination Benefits, effective from 01.01.2013, requires the recognition of actuarial gains / losses related to the employment termination benefits in the statement of comprehensive income. The Group applied the change in accounting policy retrospectively and actuarial gain / loss reported in previous periods' consolidated profit or loss statements were restated in actuarial gains / losses arising from defined benefit plans under shareholders equity. The effect of changes is detailed below:

Actuarial gain / loss amounting TL 950 netted off deferred tax which were disclosed under net profit for the period and actuarial gain / loss amounting TL 1.644 netted off deferred tax which were disclosed under retained earnings (totally actuarial gain / loss TL 2.594) in the statement of financial position as at 31.12.2012 are reclassified to actuarial gain / loss arising from defined benefit plans line under shareholders' equity.

### 2.8 Summary of Significant Accounting Policies

The condensed interim consolidated financial information for the period ended 31 March 2014 has been prepared in accordance with IAS 34 "Interim Financial Reporting". The condensed interim consolidated financial information should be read in conjunction with the annual consolidated financial statements for the year ended 31 December 2013, which have been prepared in accordance with IFRSs.

### 2.9. Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the Company

At the date of authorisation of these consolidated financial statements, certain new standards, amendments and interpretations to existing standards have been published but are not yet effective, and have not been adopted early by the Group.

#### 2.9.1 The new standards, amendments and interpretation adopted in the periods beginning on 01.01.2014 summarized in below:

- TFRS 9 "Financial Instruments – Classification and measurement"

**KİLER ALIŞVERİŞ HİZMETLERİ GIDA SANAYİ VE TİCARET A.Ş.**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**AS OF AND FOR THE INTERIM PERIOD ENDED 31.03.2014**

(All amounts in thousands of Turkish Lira (TL) unless indicated otherwise.)

**2.9.2 The new standards, amendments and interpretations that are issued by the International Accounting Standards Board (IASB) but not issued By POA:**

- IFRS 9 Financial Instruments- Hedge Accounting and amendments to IFRS 9, IFRS 7 and IAS 39-IFRS 9 (2013)
- IAS 19 (Amendment) "Employee Benefits"
- Improvements IFRSs 2010-2012
- Improvements IFRSs 2011-2013

The standards detailed above, interpretations and amendments to existing IFRS standards are issued by the IASB but not yet effective up to the date of issuance of the interim financial statements. However, these standards, interpretations and amendments to existing IFRS standards are not yet adapted/issued by the POA, thus they do not constitute part of IFRS. The Group will make the necessary changes to its financial statements after the new standards and interpretations are issued and become effective under IFRS.

**NOTE 3- SEGMENT REPORTING**

The Management has decided that the industrial segments are the primary the reporting segments considering that the risks and returns of the Company are affected by developments in the retail sector. The Management believes that the Company operates in a single industry sector as the risks and returns for the activities do not show any material difference because the scope of activity covers only the retail sale of food, drinks and durable consumer goods and classes of customers are similar. As a result all information related to the primary reporting segment has been fully presented in the attached financial statements

As the Group operates in a single geographic location (domestic), there is no basis for geographical segment reporting.

**NOTE 4 - CASH AND CASH EQUIVALENTS**

	<b>31.03.2014</b>	<b>31.12.2013</b>
Cash	13.892	14.798
Banks		
-Time deposit	50.646	--
- Demand deposit	76.358	2.082
Credit card receivables	34.095	19.480
	<b>174.991</b>	<b>36.360</b>

As of 31.03.2014, the maturity date of time deposits vary 11.04.2014. The interest rates for time deposits vary 2, 5 %.  
(31.12.2013: None)

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**NOTE 5 - FINANCIAL INVESTMENTS**

	<b>31.03.2014</b>	<b>31.12.2013</b>
<b>Short term financial investments - available for sale</b>		
Financial certificate	--	184

	Percentage %		Amount	
	31.03.2014	31.12.2013	31.03.2014	31.12.2013
<b>Long term financial investments - available for sale</b>				
KBC Gıda Sanayi Ticaret Limited Şirketi	10,85	10,85	54	54

**NOTE 6 - FINANCIAL LIABILITIES**

**Current**

<b>Bank loans</b>				
- TL bank loans			45.479	121.965
- USD bank loans			53.531	100.528
- EURO bank loans			32	124
			<b>99.042</b>	<b>222.617</b>

**Short term portion of long term financial liabilities**

<b>Bank loans</b>				
- TL bank loans			17.390	8.262
- USD bank loans			42.127	12.429
<b>Leasing payables</b>				
- TL bank loans			1.585	1.586
			<b>61.102</b>	<b>22.277</b>

**Non-current**

<b>Bank loans</b>				
- TL bank loans			54.358	653
- USD bank loans			249.667	17.945
<b>Leasing payables</b>				
- TL bank loans			583	965
			<b>304.608</b>	<b>19.563</b>

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The maturity of financial liabilities is listed below:

	<b>31.03.2014</b>	<b>31.12.2013</b>
0 - 3 months	62.511	83.036
3- 12 months	97.633	161.858
1-2 months	82.535	12.426
2-3 months	75.039	7.137
3-4 months	78.302	--
4-5 months	68.732	--
	<b>464.752</b>	<b>264.457</b>

As of 31.03.2014 average effective rates are 12,23 % for financial liabilities in TL(31.12.2013: %12,06) , 5.21% for financial liabilities in USD(31.12.2013:5,34%) and 3,60% for financial liabilities in EURO(31.12.2013:3,60%).

The syndication credit contract that Kiler Alışveriş Hizmetleri ve Gıda Sanayi ve Ticaret A.Ş. has taken from Bank of America via Fibabank has a value of 120.000.000 USD and is signed on 23.01.2014.The maturity of credit contract is four years and its interest rate is libor 4,5% annually.

Groups which have been obtained from various financial institutions for loans gave various guarantees (note14.b).

**NOTE 7 - TRADE RECEIVABLES AND PAYABLES**

**Current**

Trade receivables		
- Third parties	1.408	2.358
- Related parties (note 26)	4.446	1.860
Notes receivable		
- Third parties	599	236
	6.453	4.454
Unearned interest on receivables (-)		
- Third parties	(23)	(69)
- Related parties (note 26)	(136)	(33)
Provision for doubtful receivables (-)	(647)	(651)
	<b>5.647</b>	<b>3.701</b>

Movement of doubtful receivables is given below:

	<b>01.01.- 31.03.2014</b>	<b>01.01.- 31.03.2013</b>
<b>Opening balance, 01 January</b>	<b>651</b>	<b>648</b>
Reversal of unnecessary provision (-)	(4)	--
Doubtful receivables written-off (-)	--	(42)
<b>Closing balance, 31 March</b>	<b>647</b>	<b>606</b>

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Trade receivables from third parties maturity is listed below:

	<b>31.03.2014</b>	<b>31.12.2013</b>
Overdue receivables	647	651
Up to 3 months	1.001	941
Between 3-6 months	359	1.002
	<b>2.007</b>	<b>2.594</b>

Trade receivables from related parties maturity is listed below:

Up to 3 months	1.725	1.393
Between 3-6 months	2.721	467
	<b>4.446</b>	<b>1.860</b>

**Current**

Trade payables		
- Third parties	189.666	200.920
- Related parties (note 26)	1.798	4.115
Notes payable		
- Third parties	34.384	25.949
- Related parties (note 26)	1.044	1.401
Other trade payables	204	175
	227.096	232.560
Unearned interest on payables (-)		
- Third parties	(3.982)	(2.904)
- Related parties (note 26)	(40)	(73)
	<b>223.074</b>	<b>229.583</b>

Trade payables to third parties maturity listed below:

Up to 3 months	205.823	211.939
Between 3-6 months	17.617	13.351
Between 6-12 months	610	1.754
	<b>224.050</b>	<b>227.044</b>

Trade payables to related parties maturity listed below:

Up to 3 months	2.412	4.874
Between 3-6 months	430	642
	<b>2.842</b>	<b>5.516</b>

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**NOTE 8 – OTHER RECEIVABLES AND PAYABLES**

	<b>31.03.2014</b>	<b>31.12.2013</b>
<b>Other current receivables</b>		
Other		
- Third parties	38.862	4.358
- Related parties (note 26)	25.473	45.149
	64.335	49.507
Provision for doubtful receivables (-)	(2.430)	(2.413)
	<b>61.905</b>	<b>47.094</b>
<b>Other current payables</b>		
Other		
- Third parties	219	5.736
- Related parties (note 26)	5.344	3.970
	<b>5.563</b>	<b>9.706</b>

**NOTE 9 – INVENTORIES**

Raw materials	3.243	2.878
Merchandises	362.053	343.579
Other inventories	67	61
	365.363	346.518
Provision for diminution in value (-)	--	(675)
	<b>365.363</b>	<b>345.843</b>

**NOTE 10- INVESTMENT PROPERTY**

	<b>31.12.2012</b>	<b>Disposals</b>	<b>Revaluation differences</b>	<b>31.12.2013</b>	<b>Disposals</b>	<b>Revaluation differences</b>	<b>31.03.2014</b>
Land	1.556	(1.362)	41	235	--	--	235
Building	56.685	--	8.931	65.616	--	--	65.616
<b>Net book value</b>	<b>58.241</b>			<b>65.851</b>			<b>65.851</b>



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Details of investment property are listed below:

Explanation	Square meters	Square meters leased	Monthly rent	Net book value
Bahçelievler land	105	--	--	235
Esenyurt building (sections numbered 8, 15, 17 and 18 and 19)	13.074	3.470	17.352 USD	25.531
Esenyurt building (sections numbered 10, 11, 12 and 13)	8.315	8.315	41.523 USD	15.976
Esenyurt building (sections numbered 10, 11, 12 and 13 )	2.088	2.088	11.066 USD	4.012
Esenyurt building(sections numbered 10, 11, 12 and 13)	10.460	10.460	66.705 USD	20.097
	<b>34.042</b>	<b>24.333</b>		<b>65.851</b>

As of the report date the Group's investment properties are mortgaged by banks as follows:

Bank	Mortgage degree	Foreign currency type	31.03.2014		31.12.2013	
			Foreign currency amount	TL equivalent	Foreign currency amount	TL equivalent
Türkiye Halk Bankası A.Ş.	1	USD	22.500	49.271	22.500	48.022
Merril Lynch	2	TL	37.215	37.215	--	--
Merril Lynch	2	TL	27.355	27.355	--	--
Yapı Kredi Bankası A.Ş.	1	USD	--	--	16.500	35.216
Yapı Kredi Bankası A.Ş.	2	TL	--	--	11.250	11.250
Yapı Kredi Bankası A.Ş.	3	TL	--	--	3.750	3.750
Yapı Kredi Bankası A.Ş.	4	TL	--	--	15.000	15.000

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**NOTE 11 - PROPERTY, PLANT AND EQUIPMENT**

	<b>01.01.2014</b>	<b>Additions</b>	<b>Disposals</b>	<b>31.03.2014</b>
<b>Cost</b>				
Land	40.959	--	--	40.959
Buildings	12.743	--	--	12.743
Machinery and equipment	3.732	--	--	3.732
Vehicles	15.989	17	(99)	15.907
Furniture and fixtures	140.406	85	--	140.491
Leasehold improvements	57.033	182	--	57.215
Machinery and equipment under financial leasing	2.953	--	--	2.953
Vehicles under financial leasing	380	--	(278)	102
Furniture and fixtures under financial leasing	5.961	--	--	5.961
	<b>280.156</b>	<b>284</b>	<b>(377)</b>	<b>280.063</b>
<b>Accumulated depreciation</b>				
Buildings	271	68	--	339
Machinery and equipment	2.541	61	--	2.602
Vehicles	8.434	344	(46)	8.732
Furniture and fixtures	96.930	2.444	--	99.374
Leasehold improvements	27.663	1.097	--	28.760
Machinery and equipment under financial leasing	1.061	60	--	1.121
Vehicles under financial leasing	288	9	(222)	75
Furniture and fixtures under financial leasing	2.285	163	--	2.448
	<b>139.473</b>	<b>4.246</b>	<b>(268)</b>	<b>143.451</b>
<b>Net book value</b>	<b>140.683</b>			<b>136.612</b>

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	01.01.2013	Additions	Disposals	31.03.2013
<b>Cost</b>				
Land	40.959	--	--	40.959
Buildings	12.743	--	--	12.743
Machinery and equipment	3.732	--	--	3.732
Vehicles	15.413	--	(103)	15.310
Furniture and fixtures	138.255	610	(184)	138.681
Leasehold improvements	54.546	851	--	55.397
Machinery and equipment under financial leasing	2.953	--	--	2.953
Vehicles under financial leasing	380	--	--	380
Furniture and fixtures under financial leasing	5.961	--	--	5.961
	<b>274.942</b>	<b>1.461</b>	<b>(287)</b>	<b>276.116</b>
<b>Accumulated depreciation</b>				
Buildings	--	69	--	69
Machinery and equipment	2.295	70	--	2.365
Vehicles	7.804	335	(49)	8.090
Furniture and fixtures	86.490	2.450	(84)	88.856
Leasehold improvements	23.493	952	--	24.445
Machinery and equipment under financial leasing	821	60	--	881
Vehicles under financial leasing	250	10	--	260
Furniture and fixtures under financial leasing	1.634	163	--	1.797
	<b>122.787</b>	<b>4.109</b>	<b>(133)</b>	<b>126.763</b>
<b>Net book value</b>	<b>152.155</b>			<b>149.353</b>

As of the report date the Group's land and buildings are mortgaged by banks as follows:

Bank	Mortgage Degree	Foreign currency type	31.03.2014		31.12.2013	
			Foreign currency amount	TL equivalent	Foreign currency amount	TL equivalent
Türkiye Finans Katılım Bankası A.Ş.	1	TL	25.000	49.271	25.000	25.000
Türkiye Halk Bankası A.Ş.	1	USD	22.500	25.000	22.500	48.022
Albaraka Türk Katılım Bankası A.Ş.	1	TL	20.000	20.000	20.000	20.000
Türkland Bank A.Ş.	1	TL	--	--	21.000	21.000
Merril Lynch	1	TL	5.510	5.510	--	--
Merril Lynch	1	TL	11.550	11.550	--	--
Merril Lynch	2	TL	12.000	12.000	--	--

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**NOTE 12 – INTANGIBLE ASSETS**

	<b>01.01.2014</b>	<b>Additions</b>	<b>31.03.2014</b>
Cost	2.063	--	2.063
Accumulated amortization (-)	(1.531)	(40)	(1.571)
<b>Net book value</b>	<b>532</b>		<b>492</b>
	<b>01.01.2013</b>	<b>Additions</b>	<b>31.03.2013</b>
Cost	1.955	--	1.955
Accumulated amortization (-)	(1.374)	(39)	(1.413)
<b>Net book value</b>	<b>581</b>		<b>542</b>

Other intangible assets mainly consist of programs, software and licenses.

**NOTE 13 – GOODWILL**

	<b>31.03.2014</b>	<b>31.12.2013</b>
Kiler Ankara Mağazacılık Sanayi ve Ticaret A.Ş.	57.589	57.589
Kiler Trakya Mağazacılık Sanayi ve Ticaret A.Ş.	12.920	12.920
	<b>70.509</b>	<b>70.509</b>

Movement of goodwill is as follows:

	<b>01.01.- 31.03.2014</b>	<b>01.01.- 31.12.2013</b>
<b>Opening balance as of 01 January</b>	<b>70.509</b>	<b>72.985</b>
Goodwill impairment(-)	--	(2.476)
<b>Closing balance, 31 March</b>	<b>70.509</b>	<b>70.509</b>

The goodwill amount is related to stores as cash-generating unit by Group management. The recoverable amount of cash-generating unit was determined based on value-in-use calculations. These value-in-use calculations include the discounted after tax cash flow projections, which are based on TL budgets approved by management covering five year period.

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**NOTE 14 – PROVISIONS, COMMITMENTS AND CONTINGENCIES**

**14.a Other short-term provisions**

	<b>31.03.2014</b>	<b>31.12.2013</b>
Provision of lawsuits	<b>9.033</b>	<b>9.551</b>

There are several law suits which have been filed against or in favor of the Group. These lawsuits mainly consist of receivables, rent and employee law suits. The management evaluates the possible effect of these law suits on the Group, the financial effects and the possible outcomes at the end of every period and necessary provisions has been set aside in the accompanying financial statements.

Movement of provision of lawsuits during the period is as follows;

<b>Opening balance as of 01 January</b>	<b>9.551</b>	<b>9.743</b>
Charge for the period	320	1.859
Reversal of unnecessary provision (-)	(838)	(2.051)
<b>Closing balance, 31 March</b>	<b>9.033</b>	<b>9.551</b>

As of 31.03.2014, there are a total of 241 lawsuits and enforcement proceedings opened by the Company amounting to TL 5.366. There are a total of 619 lawsuits and enforcement proceedings which had been filed against the Company amounting to TL 9.033.

**14.b Commitments and Contingencies**

Collaterals, Pledges, Mortgages (“CPM”) given by the Group are as follows:

	<b>31.03.2014</b>		<b>31.12.2013</b>	
	<b>USD</b>	<b>TL</b>	<b>USD</b>	<b>TL</b>
A. On behalf of its own legal entity		206.762		198.522
-TL	157.491	157.491	115.284	115.284
-USD	22.500	49.271	39.000	83.238
B. On behalf of consolidated subsidiaries	--	--	--	--
C. CPM's given on behalf of third parties for ordinary course of business	--	--	--	--
D. Other CPM	--	--	--	398.802
i. Total amount of CPM's given on behalf of the majority shareholder	--	--	--	--
ii. Given on behalf of related parties except B and C	--	--	--	398.802
-TL	--	--	100.000	100.000
-USD	--	--	140.000	298.802
iii. Given on behalf of third parties except C	--	--	--	--
<b>Total</b>		<b>206.762</b>		<b>597.324</b>

As at 31.03.2014, the Group's CPM to equity ratio is 0% (31.12.2013: 206%).

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**NOTE 15- EMPLOYEE BENEFIT OBLIGATIONS AND PROVISIONS**

**15.a Employee benefit obligations**

	<b>31.03.2014</b>	<b>31.12.2013</b>
<b>Employee benefit obligations</b>		
Payables to personel	5.077	4.883
Social security deductions	3.222	3.390
	<b>8.299</b>	<b>8.273</b>

**15.b Employee termination benefits**

	<b>31.03.2014</b>	<b>31.12.2013</b>
Provision for employee termination benefits	<b>7.546</b>	<b>7.708</b>

Under Turkish law, the Company is required to pay employment termination benefits to each employee who has completed one year of service and whose employment is terminated without due cause, is called up for military service, dies or who retires after completing 25 years of service (20 years for women) and achieves the retirement age (58 for women and 60 for men). In addition, under the existing Social Security Law No. 506, clause No. 60, amended by the Labor Laws dated 06.03.1981, No. 2422 and 25.08.1999, No. 4447, the Company is also required to pay termination benefits to each employee who has earned the right to retire by receiving termination indemnities

Severance payments are estimated based on 30 days gross salary for each year. The maximum price is TL/year 3.438,22 as of the related balance sheet date, 31.03.2014 (31.12.2013: TL/year 3.254, 44).

Such payments are not required to be funded. Therefore no fund is reserved for such payments in the financial statements

In its financial statements the Company reflected a liability for termination benefits based upon factors derived using their experience of personnel terminating their services and being eligible to receive retirement pay and discounted to present value at the balance sheet date by using average market yield, expected inflation rates and an appropriate discount rate:

The principal assumption is that the maximum liability for each year of service will increase in line with inflation. Thus, the discount rate applied represents the expected real rate after adjusting for the anticipated effects of future inflation. An expected inflation rate and appropriate discount rate should both be determined, the net of these being real discount rate. As of 31.03.2014 the liability for employment termination benefits was calculated based on an annual real discount rate of 1,96% (31.12.2013: an annual real discount rate of 1.96%) using estimated annual inflation rate of 7,40% and discount rate of 9,50%.

Provision for employee termination benefits movement is listed below:

	<b>01.01.- 31.03.2014</b>	<b>01.01.- 31.03.2013</b>
<b>Opening balance as of 01 January</b>	<b>7.708</b>	<b>6.572</b>
Current service cost	541	374
Interest cost	739	293
Actuarial loss	(911)	574
Payments (-)	(531)	(400)
<b>Closing balance, 31 March</b>	<b>7.546</b>	<b>7.413</b>

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**NOTE 16– PREPAID EXPENSES**

	<b>31.03.2014</b>	<b>31.12.2013</b>
<b>Short-term prepaid expenses</b>		
Prepaid expenses	4.343	4.927
Advances given for business purposes	7.110	6.861
Advances given	5.336	12.650
Advances given to related parties (note 26)	324	235
	17.113	24.673
Provision for advances given(-)	(1.454)	(9.448)
	<b>15.659</b>	<b>15.225</b>
<b>Long-term prepaid expenses</b>		
Prepaid expenses	<b>1.321</b>	<b>1.716</b>

**NOTE 17 – EQUITY**

**17.a Share capital**

As of 31.03.2014 and 31.12.2013, the composition of shareholders and their respective percentage ownership are summarized as follows:

	<b>Shareholding percentage (%)</b>		<b>Shareholding amount</b>	
	<b>31.03.2014</b>	<b>31.12.2013</b>	<b>31.03.2014</b>	<b>31.12.2013</b>
Kiler Holding A.Ş.	38,57	38,57	51.929	51.929
Ümit Kiler	14,67	14,67	19.743	19.743
Nahit Kiler	14,67	14,67	19.743	19.743
Vahit Kiler	14,67	14,67	19.743	19.743
Quoted shares	15,00	15,00	20.193	20.193
Other	2,42	2,42	3.269	3.269
	<b>100</b>	<b>100</b>	<b>134.620</b>	<b>134.620</b>

The capital of the Company as at 31.12.2014 was TL 134.620. This capital consisted of 134.620.000; TL 12.000 shares for TL 1 each and comprise of 12.000.000 shares are a group shares and TL 122.620 which comprise of 122.620.000 shares are B group shares.

Approval of Board of Directors is obliged for the transfer of registered A group shares. The Board of Directors can deny approving transfer of A Group shares without justification. B group registered shares can be transferred in accordance current laws and legislation.

Publicly offered shares which represent TL 20.193 of the total share capital are registered and do not have any privileges.

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In the extraordinary general assembly meeting dated from 15.09.2010, it has been decided that the articles of association of Kiler Alışveriş are amended such as that the registered authorized capital of the Company shall be worth of TL 500.000 consisting of 500.000.000 shares, TL 1 per each share, and the board of directors are authorized to increase the registered share capital between the years 2010 and 2014 up to the authorized level within the rules and regulations and of Capital Market Law.

According to the Company's Main Agreement numbered 6, a group shares are privileged shares. This privileges which are detailed in the Company's articles of association paragraph 8, 10, 13.2 consist of the determination of the Board of directors and auditors and gives right to vote as detailed below

(i) Privilege on voting right of Board of Directors:

The Company's board of directors consists of six members and four members of the Board of Directors are selected among candidates nominated by group shareholders in the General Assembly.

(ii) Privilege on voting right of auditors:

At least two of the three auditors are are selected among candidates nominated by A Group shareholders in the General Assembly.

(iii) Privilege on voting in the General Assembly meetings:

Group shareholders are entitled to hundred vote for each share and B Group shareholders are entitled to one vote for each share in the company's annual and extraordinary general assembly meetings. The provision of Turkish Commercial Code article 387 is reserved.

**The pledges on shares are summarized below:**

The shareholders of the Group pledged Kiler Alışveriş shares as a guarantee of Kiler Alışveriş and Kiler Gayrimenkul Yatırım Ortaklığı A.Ş.'s loans The limit of the loan is USD 110.000. According the loan agreement the pledge percentage is 66% on the share capital amounting TL 134.620 ; 9.738.436 A group shares, 79.110.764 B group shares, totally 88.849.200 shares are pledged for a first degree on behalf of the lender for the principal loan amount and any type of accrual in terms of interest and expense.

The shareholders of the group pledged Kiler Alışveriş shares as a guarantee of Kiler Holding A.Ş.'s bank loans. According to the loan agreement, the pledge percentage is 10% on the share capital amounting TL 134.620, 1.181.564 A group shares, 12.280.436 B group shares, totally 13.462.000 shares are pledged for a first degree o behalf of the lender for the principal loan amount and any type of accrual in terms of the interest and expense.

**17.b Share premium**

The share premium account refers the difference between the per value of the company's shares and the amount the company received for newly issued shares. The share premium accounts are disclosed under equity as a separate line item and cannot be distributed. It can be used in capital increase.

	<b>31.03.2014</b>	<b>31.12.2013</b>
Share premium	<b>66.150</b>	<b>66.150</b>



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**Items that will not be reclassified subsequently to profit or loss are detailed as follows:**

**17.c Actuarial gain / loss**

	31.03.2014	31.12.2013
Actuarial gain / loss arising from defined benefit plans	(2.106)	(2.814)

**17.d Revaluation gains**

Revaluation gains of land and buildings	14.410	14.416
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**17.e Other gains / losses**

Increase in value of subsidiaries (according to Bring in Assets to the National Economy Law )	5.156	5.156
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**17.f Accumulated profit / loss**

Legal reserves	1.139	1.139
Extraordinary reserves	11.258	11.258
Previous years' profits (losses)	(37.376)	(11.761)
	<b>(24.979)</b>	<b>636</b>

**NOTE 18- REVENUE AND COST OF SALES**

	01.01.- 31.03.2014	01.01.- 31.03.2013
Retail and wholesales	206.427	198.535
Other	34.592	30.303
	241.019	228.838
Deductions (-)	(1.206)	(1.323)
Revenue	<b>239.813</b>	<b>227.515</b>
Cost of sales (-)	(179.267)	(171.986)
<b>Gross profit</b>	<b>60.546</b>	<b>55.529</b>

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**NOTE 19- NATURE OF EXPENSES**

Nature of expenses consists of cost of sales, research and development, selling, and general and administrative expenses.

	<b>01.01.- 31.03.2014</b>	<b>01.01.- 31.03.2013</b>
Merchandises costs	179.221	171.016
Personnel expenses	23.036	21.668
Depreciation and amortization expense	4.286	4.148
Advertising expenses	1.257	2.349
Office expenses	4.962	6.308
Communication expenses	295	337
Retirement pay provision	1.280	667
Consulting expenses	4.091	368
Rent expenses	11.263	10.952
Motor vehicle expenses	1.919	1.859
Insurance expenses	488	314
Repair and maintenance expenses	903	1.239
Tax paid	725	967
Other	1.498	2.272
	<b>235.224</b>	<b>224.464</b>

**NOTE 20-- OTHER OPERATING INCOME**

<b>Other operating income</b>		
Insurance claim income	207	445
Other income	951	97
	<b>1.158</b>	<b>542</b>

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**NOTE 21-- INCOME AND EXPENSES FROM INVESTMENT ACTIVITIES**

	<b>01.01.- 31.03.2014</b>	<b>01.01.- 31.03.2013</b>
<b>Income from investment activities</b>		
Income from sales of property, plant and equipment	118	256
Other	9	--
	<b>127</b>	<b>256</b>
<b>Expenses from investment activities</b>		
Loss from sales of property, plant and equipment	--	11

**NOTE 22-- FINANCIAL INCOME**

Foreign exchange gain	4.260	391
Interest income	1.011	1.439
Unearned interest on payables	1.045	246
	<b>6.316</b>	<b>2.076</b>

**NOTE 23-- FINANCING EXPENSE**

Foreign exchange losses	5.666	2.258
Interest expense	11.656	9.392
Unearned interest on receivables	57	104
Bank commission expenses	11.158	122
Other	195	150
	<b>28.732</b>	<b>12.026</b>

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**NOTE 24—TAXATION ON INCOME**

**a) Current taxation**

After 01 January 2006 the corporation tax rate in Turkey is 20%.

The Corporation tax is applied on the total income of the Company after adjusting for certain disallowable expenses. No further tax is payable unless the profit is distributed. If the whole or a part of profit is distributed to:

- Individuals;
- Individuals and companies excepted or exempted from income and corporation taxes or;
- Non residents companies and individuals,

It is subject to 15% withholding tax. An increase in capital via issuing bonus shares is not considered as a profit distribution and no withholding tax is applied.

Corporations are required to pay advance corporation tax quarterly at the rate of 20% on their corporate income. Advance tax 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.

75% of income from the sale of participation shares and property, which were held for at least two years, to be added to share capital are exempt from corporation tax provided that the transfer of this income to share capital takes place as provided in the Corporation Tax Law.

In Turkey, there is no procedure for a final and definitive agreement on tax assessments. Companies file their tax returns within the 25th of the fourth month following the close of the financial year to which they relate. Tax returns are open for 5 years from the beginning of the year that follows the date of filing, during which time the tax authorities have the right to audit tax returns, and the related accounting records on which they are based, and may issue re-assessments based on their findings.

The computation of the statutory taxes for periods 31.03.2014 and 31.12.2013 is as follows:

	<b>01.01.- 31.03.2014</b>	<b>01.01.- 31.03.2013</b>
<b>Financial position</b>		
Current period tax expense	--	(193)
Deferred tax income (expense)	(844)	868
<b>Total tax income (expense)</b>	<b>(844)</b>	<b>675</b>

**b) Deferred Tax**

The Group recognizes deferred tax assets and liabilities based upon temporary differences between its financial statements as reported for IAS purposes and its statutory tax financial statements. These differences usually result in the recognition of revenue and expenses in different reporting periods for IAS and tax purposes.

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The composition of cumulative temporary differences and the related deferred tax assets/liabilities in respect of items for which deferred tax has been provided at the financial position dates using the expected future tax rates were as follows:

	<b>Total</b>		<b>Deferred tax</b>	
	<b>temporary differences</b>			
	<b>31.03.2014</b>	<b>31.12.2013</b>	<b>31.03.2014</b>	<b>31.12.2013</b>
Unearned interest on receivables	159	102	32	20
Provision for employee termination benefits	7.546	7.708	1.509	1.542
Provision for doubtful receivables	10.390	11.814	2.078	2.363
Inventories	3.597	6.156	719	1.231
Cancellation of capitalized interest expense	2.711	3.053	542	611
Lawsuit provision	9.033	9.551	1.807	1.910
Taxable loss carried forward	32.164	32.164	6.433	6.433
Other	3.567	1.730	713	345
Unearned interest on payables	(4.022)	(2.978)	(804)	(596)
Revaluation difference on land and buildings	(35.889)	(35.889)	(7.178)	(7.178)
Difference on depreciation and amortization	(50.783)	(50.579)	(10.157)	(10.115)
Loans	(610)	--	(122)	--
Other	(149)	--	(30)	--
Deferred tax asset			13.833	14.455
Deferred tax liability			(18.291)	(17.889)
<b>Deferred tax asset (liability), net</b>			<b>(4.458)</b>	<b>(3.434)</b>

**NOTE 25-- EARNINGS PER SHARE**

	<b>01.01.- 31.03.2014</b>	<b>01.01.- 31.03.2013</b>
Net loss for the year	(19.038)	(6.035)
Non-controlling interest's net profit/(loss) for the period	(37)	80
<b>Net profit (loss) attributable to shareholders</b>	<b>(19.075)</b>	<b>(5.955)</b>
Weighted average number of outstanding ordinary shares	134.620	134.620
<b>Earnings per share, TL full</b>	<b>(0,14)</b>	<b>(0,04)</b>

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**NOTE 26-- RELATED PARTIES DISCLOSURES**

Group has entered into several financing transactions with its related parties, No interest has been calculated on these amounts. According to the Board of Directors' decision dated 30.07.2010 numbered 184, all receivables/debts which are given/obtained to/from related parties with the aim of financing will be subject to interest and interest rate is 9%.

<b>a) Trade receivables from related parties:</b>	<b>31.03.2014</b>	<b>31.12.2013</b>
KBC Gıda Sanayi ve Ticaret Limited Şirketi	1.725	1.378
Kiler Gayrimenkul Yatırım Ortaklığı Anonim Şirketi	1.581	--
Denge Reklam Turizm İnşaat Emlak Gıda Elektrik Elektronik Sanayi ve Ticaret Limited Şirketi	648	108
Beyaz Çınar Yapı İnşaat Emlak Yönetim Hizmetleri Limited Şirketi	358	346
Sese Et Ürünleri ve Gıda Sanayi Ticaret Limited Şirketi	107	7
Other	27	21
	<b>4.446</b>	<b>1.860</b>
Unearned interest on receivables (-)	(136)	(33)
	<b>4.310</b>	<b>1.827</b>
<b>b) Trade payables to related parties:</b>		
<b>Current accounts:</b>		
Kiler Gayrimenkul Yatırım Ortaklığı Anonim Şirketi	30	1.854
KBC Gıda Sanayi Ticaret Limited Şirketi	638	172
Bağcı Sebze Meyve Tarım Ürünleri ve Su Ürünleri Hayvancılık Soğuk Hava Depoculuğu Ticaret Anonim Şirketi	626	619
Biskon Yapı Anonim Şirketi	27	--
Other	477	1.470
<b>Notes payable:</b>		
Ümit Kiler Sebze Meyve Komisyoncusu	1.044	1.401
	<b>2.842</b>	<b>5.516</b>
Unearned interest on payables (-)	(40)	(73)
	<b>2.802</b>	<b>5.443</b>

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<b>c) Other receivables from related parties</b>	<b>31.03.2014</b>	<b>31.12.2013</b>
Kiler Holding Anonim Şirketi	15.001	7.012
Doğu Aras Enerji Yatırımları Anonim Şirketi	--	32.859
Ümit Kiler	8.038	3.003
Nahit Kiler	1.531	1.325
Vahit Kiler	656	608
Other	247	342
	<b>25.473</b>	<b>45.149</b>
<b>d) Other payables to related parties</b>		
Ümit Kiler	4.562	1.020
Kiler Holding Anonim Şirketi	--	2.168
Klr Elektrik Enerjisi Toptan Satış Anonim Şirketi	782	782
	<b>5.344</b>	<b>3.970</b>
<b>e) Advances given to related parties</b>		
Kiler Sebze Meyve Komisyoncusu -Ümit Kiler	308	221
Other	16	14
	<b>324</b>	<b>235</b>
<b>f) Income from related parties</b>		
	<b>01.01.-</b>	<b>01.01.-</b>
	<b>31.03.2014</b>	<b>31.03.2013</b>
Kiler Holding Anonim Şirketi	180	915
Ümit Kiler	--	568
Nahit Kiler	--	455
Klr İnşaat Ticaret Limited Şirketi	11	250
KBC Gıda Sanayi Ticaret Limited Şirketi	35	100
Nur-Tek Elektrik Üretim Anonim Şirketi	23	23
Other	32	53
	<b>281</b>	<b>2.364</b>

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<b>g) Expenses to related parties</b>	<b>01.01.- 31.03.2014</b>	<b>01.01.- 31.03.2013</b>
Kiler Gayrimenkul Yatırım Ortaklığı Anonim Şirketi	981	893
Kiler Holding Anonim Şirketi	584	619
Kbc Gıda Sanayi Ticaret Limited Şirketi	465	3.284
Tureks Turizm Taşımacılık İnşaat Sanayi Anonim Şirketi	338	36
Safir Çarşı Yönetim Hizmetleri Anonim Şirketi	159	65
Nahit Kiler	99	90
Ümit Kiler Sebze Meyve Komisyoncusu	--	1.944
Denge Reklam Turizm İnşaat Gıda Elektrik Sanayi Limited Şirketi	26	447
Other	298	188
	<b>2.950</b>	<b>7.566</b>

**h) Remuneration of the management**

The total remuneration of the chairman, the members of Board and the top management, amounted to TL 70 for the period ended 31.03.2014 (01.01-31.03.2013: TL 71).



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**NOTE 27– FOREIGN EXCHANGE POSITION**

*Foreign currency risk*

The Group is exposed to foreign exchange risk through the impact of rate changes at the translation of USD and EUR denominated assets and liabilities to Turkish Lira .The net currency position of the Company as of the balance sheet dates are shown below:

<b>31.03.2014</b>	<b>USD</b>	<b>EUR</b>	<b>GBP</b>	<b>TL Equivalent</b>
1. Trade receivables	--	--	--	--
2a. Monetary financial assets (including cash and bank account)	43.265	5	1	94.760
2b. Non-monetary financial assets	--	--	--	--
3. Other	15.680	--	--	34.336
<b>4. Current assets (1+2+3)</b>	<b>58.945</b>	<b>5</b>	<b>1</b>	<b>129.096</b>
5. Trade receivables	--	--	--	--
6a. Monetary financial assets	--	--	--	--
6b. Non-monetary financial assets	--	--	--	--
7. Other	--	--	--	--
<b>8. Non-current assets (5+6+7)</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>9. Total assets (4+8)</b>	<b>58.945</b>	<b>5</b>	<b>1</b>	<b>129.096</b>
10. Trade payables	--	--	--	--
11. Financial liabilities	43.683	11	--	95.691
12a. Other monetary liabilities	--	1	--	4
12b. Other non-monetary liabilities	--	--	--	--
<b>13. Short term liabilities (10+11+12)</b>	<b>43.683</b>	<b>12</b>	<b>--</b>	<b>95.695</b>
14. Trade payables	--	--	--	--
15. Financial liabilities	114.014	--	--	249.669
16a. Other monetary liabilities	--	--	--	--
16b. Other non-monetary liabilities	--	--	--	--
<b>17. Long term liabilities (14+15+16)</b>	<b>114.014</b>	<b>--</b>	<b>--</b>	<b>249.669</b>
<b>18. Total liabilities (13+17)</b>	<b>157.697</b>	<b>12</b>	<b>--</b>	<b>345.364</b>
19. Off balance sheet derivative instruments/net assets (liabilities) position (19a-19b)	--	--	--	--
19a. Total asset amount of hedge	--	--	--	--
19b. Total liabilities amount of hedge	--	--	--	--
<b>20. Net foreign currency position (9-18+19)</b>	<b>(98.752)</b>	<b>(7)</b>	<b>1</b>	<b>(216.268)</b>
<b>21. Monetary net foreign currency position / (UFRS 7.B23) (=1+2a+5+6a-10-11-12a-14-15-16a)</b>	<b>(114.432)</b>	<b>(7)</b>	<b>1</b>	<b>(250.604)</b>
<b>22. Total fair value of financial instruments for hedge</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
23. Exports	--	--	--	--
24. Imports	--	--	--	--

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<b>31.12.2013</b>	<b>USD</b>	<b>EUR</b>	<b>GBP</b>	<b>TL Equivalent</b>
1. Trade receivables	--	--	--	--
2a. Monetary financial assets (including cash and bank account)	3	7	1	30
2b. Non-monetary financial assets	--	--	--	--
3. Other	15.393	--	--	32.853
<b>4. Current assets (1+2+3)</b>	<b>15.396</b>	<b>7</b>	<b>1</b>	<b>32.883</b>
5. Trade receivables	--	--	--	--
6a. Monetary financial assets	--	--	--	--
6b. Non-monetary financial assets	--	--	--	--
7. Other	--	--	--	--
<b>8. Non-current assets (5+6+7)</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>9. Total assets (4+8)</b>	<b>15.396</b>	<b>7</b>	<b>1</b>	<b>32.883</b>
10. Trade payables	--	--	--	--
11. Financial liabilities	52.925	42	--	113.081
12a. Other monetary liabilities	1.016	--	--	2.168
12b. Other non-monetary liabilities	--	--	--	--
<b>13. Short term liabilities (10+11+12)</b>	<b>53.941</b>	<b>42</b>	<b>--</b>	<b>115.249</b>
14. Trade payables	--	--	--	--
15. Financial liabilities	8.408	--	--	17.945
16a. Other monetary liabilities	--	--	--	--
16b. Other non-monetary liabilities	--	--	--	--
<b>17. Long term liabilities (14+15+16)</b>	<b>8.408</b>	<b>--</b>	<b>--</b>	<b>17.945</b>
<b>18. Total liabilities (13+17)</b>	<b>62.349</b>	<b>42</b>	<b>--</b>	<b>133.194</b>
19. Off balance sheet derivative instruments/net assets (liabilities) position (19a-19b)	--	--	--	--
19a. Total asset amount of hedge	--	--	--	--
19b. Total liabilities amount of hedge	--	--	--	--
<b>20. Net foreign currency position (9-18+19)</b>	<b>(46.953)</b>	<b>(35)</b>	<b>1</b>	<b>(100.311)</b>
<b>21. Monetary net foreign currency position / (UFRS 7.B23) (=1+2a+5+6a-10-11-12a-14-15-16a)</b>	<b>(62.346)</b>	<b>(35)</b>	<b>1</b>	<b>(133.164)</b>
<b>22. Total fair value of financial instruments for hedge</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
23. Exports	--	--	--	--
24. Imports	--	--	--	--