KİLER ALIŞVERİŞ
HİZMETLERİ GIDA SANAYİ
VE TİCARET A.Ş. CONSOLIDATED
FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED
01.01. -31.12.2013
TOGETHER VVITH AUDITOR'S
REPORT

GrantThornton

KİLER ALIŞVERİŞ HİZMETLERİ GİDA SANAYİ VE TİCARET A.Ş.
INDEPENDENT AUDİTOR'S REPORT
AS AT AND FOR THE YEAR ENDED 01.01.-31.12.2012

Engin Bağımsız Denetim ve
Serbest Muhasebecilik
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To the shareholders and to the Board of Directors of
Kiler Alışveriş Hizmetleri Gıda Sanayi ve Ticaret A.Ş.

We lıave audited the accompanying statements of Consolidated fınancial positioıı of Kiler Alışveriş Hizmetleri Gıda Sanayi Ve Ticaret A.Ş (the "Company") and its subsidiaries ("Group") as at 31 December 2013, and the related statements of Consolidated profit or loss, statements of Consolidated other comprehensive income, statements of Consolidated changes in equity and statements of Consolidated cash flovvs for the year then eııded and a summary of significant accounting policies and other explanatory notes.

Management's responsibility for the fınancial statements

Management is respoıısible for the preparation and fair presentation of these Consolidated fınancial statements in accordance with the Turkish Accounting Standards ("TAS") published by the Public Oversight Accounting and Auditing Standards Authority ("POA") and for such internal controls as management detemıines is necessary to enable the preparation and fair presentation of Consolidated fınancial statements that are free from material misstatement, whether to eıror or fraud.

Auditor's responsibility

Our responsibility is to express an opinion on these Consolidated fınancial statements based on our audit. We conducted our audit in accordance with auditing standards published by Capital Market Board of Turkey. Those standards require that \ve comply with ethical requirements and plan and perform the audit to obtain reasonable assurance vvhether the financial statements are free from material misstatement.

An audit involves performiııg proceduıes to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the fınancial statements, vvhether due to fraud or erıor. İn making those risk assessments, the auditor considers internal contıol relevant to the entity's preparation and fair presentation of the fınancial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management as well as evaluating the overall presentation of the fınancial statements.

We believe that the audit evidence we lıave obtained is suffıcient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the Consolidated financial statements present fairly, in ali material respects, the Consolidated financial position of Kiler Alışveriş Hizmetleri Gıda Sanayi ve Ticaret A.Ş as of 31 December 2013, and of its Consolidated financial performance and its Consolidated cash flovvs for the year tlıen ended in accordance vvith TAS (note 2).

Reports on Iıidependent Auditor Responsibilities Arising from Other Regulatory Requireınents

İn accordance vvith Aıticle 402 of the Turkish Commercial Code no. 6102, the Boards of Directors submitted to us the necessary explanations and provided required documents vvithin the context of audit, additionally, no significant matter has come to our attention that causes us to believe that the Group's bookkeeping activities for the peı iod 1 January -31 December 2013 are not in compliance vvith the code and provisions of the Group's articles of association in ıelation to financial reporting.

Pursuant to Article 378 ofTurkish Commercial Code, Board of Directors ofpublicly listed compaıııes are required to form an expert committee, and to run and to develop the necessary system for the purposes of: early identification of causes that jeopardize the existence, development and continuity of the company; applying the necessary measures and remedies in the regard; and, managing the related risks. According to subparagraph 4, Article 398 of the code, the auditor is required to prepare a separate report explaining vvhether the Board of Directors has established the system and authoı ized committee stipulated under Article 378 to identify risks that threaten or may tlıreaten the company and to provide risk management, and, if such a system exists, the report, the principles of vvhiclı shall be announced by the POA, shall describe the structure of the system and the practices of the committee. This report shall be submitted to the Board of Directors along vvith the auditor's report. Our audit does not include evaluating the operational efficiency and adequacy of the operations carried out by the management of the Group in order to manage these risks. As of the date of our auditor's report, POA has not announced the principles of this report yet, accordingly, no separate report has beeıı dravvn up related to it. On the other lıand, the Group formed the mentioned committee on 12 October 2012 and it comprised of two members. The committee met six times in 2013 for the purposes of early identification of risks that jeopardize the existence of the company and its development, applying the necessary measures and remedies in this regard, and managing the risks, and has submitted the relevant reports to the Board of Directors

ENGİN Bağımsız Denetim ve Serbest Muhasebecilik Mali Müşavirlik A.Ş.
Member Fimi of GRANTTHORNTON International

Emre Halit
Partner

11.03.2014

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KİLER ALIŞVERİŞ HİZMETLERİ GIDA SANAYİ VE TİCARET A.Ş.
STATEMENTS OF CONSOLIDATED FINANCIAL POSITION
AT 31.12.2013 AND 31.12.2012

(Ali amounts in thousands ofTurkish Lira ("TL") unless indicated otherwise.)

	Notes	*Audiied* 31.12.2013	*Restated "* *Audited* 31.12.2012
ASSETS			
Current Asscts			
Cash and caslı equivalents	4	36360	43.016
Financial investments	5	184	-
Trade receivables			
- Trade receivables from related paıties	7	1.827	29.284
- Trade receivables from third parties	7	1.874	3.083
Otlıer receivables			
- Otlıer receivables from related parties	8	45.149	77.747
- Other receivables from third parties	8	1.945	1.564
Inventories	9	345.843	317.926
Prepaid expenses	16	15.225	17.784
Otlıer current assets	17	750	1.485
Total current assets		449.157	491.889
Non-current assets			
Financial investments	5	54	54
lıvestment property	10	65.851	58.241
Property, plant and equipment	11	140.683	152.155
Intangible assets			
- Goodvvill	13	70.509	72.985
- Otlıer intangible assets	12	532	581
Other non-current assets	16	1.716	2.493
Deferred tax assets	26	14.455	11.545
Total non-current assets		**293.800**	**298.054**
TOTAL ASSETS		742.957	789.943

The accompanying notes are an integral paıt ofthese Consolidated fınancial statements.

(*)Scc ıюte 2.4 -2.5.

KİLER ALIŞVERİŞ HİZMETLERİ GIDA SANAYİ VE TİCARET A.Ş.
STATEMENTS OF CONSOLIDATED FINANCIAL POSITION
AT 31 DECEMBER 2013 AND 2012

(Ali amounts in thousands of Turkish Lira ("TL") unless indicated othervvise.)

	Notes	*Audited* 31.12.2013	*Restated(*)* *Audited* 31.12.2012
LIABILITIES AND EQUİTY			
Current liabilities			
Financial liabilities	6	222.617	178.157
Short tenn portion of longterm fınancial liabilities	6	22.277	56.817
Tıade payables			
- İ rade payables to related parties	7	5.443	5.331
- Trade payables to third parties	7	224.140	203.346
Employee benefıt obligations	15.a	8.273	7.744
Other payables			
- Other payables to related parties	8	3.970	630
- Other payables to third parties	8	5.736	20.560
Provisions			
- Other provisions	14.a	9.551	9.743
Deferred Income		55	151
Other current liabilities	17	2.610	2.935
Total current liabilities		**504.672**	**485.414**
Non- current liabilities			
Financial liabilities	6	19.563	56.713
Trade payables			
- Trade payables to third parties	7		681
Other payables			
- Third parties	8	..	5.688
Long-tenn provisions			
- Provision for employment termination benefits	15.b	7.708	6.572
Deferred tax liability	26	17.889	16.028
Total ııon-current liabilities		**45.160**	**85.682**
EQUITY			
Equity attributable to owners of the parent			
Paid in capital	18.a	134.620	134.620
Share premium	18.b	66.150	66.150
Other comprehensive income / loss to be reclassifled to profit or loss			
- Actuarial gain/loss arising from defıned benefit plans	18.c	(2.814)	(2.594)
- Revaluatioıı reserve	18.d	14.416	14.441
- Other gain/loss	18.e	5.156	5.156
General reserves	18.f	636	(6.003)
Net profit (loss) for the year		(25.321)	6.614
Non-controlling interests		**282**	**463**
Total equity		**193.125**	**218.847**
Total liabilities and equity		**742.957**	**789.943**

The accompanying notes are an integral part of these Consolidated financial statements.

(*)Seeııote dipnot 2.4 and 2.5.

KİLER ALIŞVERİŞ HİZMETLERİ GIDA SANAYİ VE TİCARET A.Ş.
STATEMENTS OF CONSOLIDATED PROFİT OR LOSS
FOR THE YEARS ENDED 31 DECEMBER 2013 AND 2012

(Ali amounts in thousands ofTurkish Lira ("TL") unless indicated othervvise.)

	Notes	*Audited* 01.01.- 31.12.2013	*Restated(*)* *Audited* 01.01.- 31.12.2012
Continuing operatioııs			
Revenue	19	1.014.228	943.573
Cost of sales	19	(751.187)	(692.606)
Gross profıt		**263.041**	**250.967**
General and administrative expenses (-)	20	(35.829)	(37.790)
Marketing and selling expeıises (-)	20	(185.333)	(179.486)
Other operating income	22	3.298	2.189
Other operating expenses(-)	22	(31.297)	(9.145)
Operating profıt		**13.880**	**26.735**
Income from investment activities	23	9.511	5.910
Expenses from investment activities (-)	23	(2.792)	(639)
Operating income before fınancial expense		**20.599**	**32.006**
Financing income	24	10.468	24.323
Financing expense (-)	25	(57.553)	(46.850)
Profıt before tax from continuing operatioııs		**(26.486)**	**9.479**
Tax 011 profıt froıı continuing operatioııs			
Tax clıarge for the year (-)	26		(293)
Deferred tax income (expense)	26	992	(2.673)
Profıt (loss) from continuing operatioııs		**(25.494)**	**6.513**
Net profıt attributable to			
Non-controlliıg iıterests		(173)	(101)
Equity holders ofthe Company		(25.321)	6.614
Earnings per slıarc	27	**(0,188092)**	**0,049131**

The accompanying notes are an integral part ofthese Consolidated fiıancial statements.

(*)Sec notes 2.4 and 2.5.

KİLER ALIŞVERİŞ HİZMETLERİ GIDA SANAYİ VE TİCARET A.Ş.
STATEMENTS OF CONSOLIDATED OTHER COMPREIIENSIVE INCOME
FOR THE YEARS ENDED 31 DECEMBER 2013 AND 2012

(Ali amounts in thousands ofTuıkish Lira ("TL") unless iıdicated othervvise.)

	Audited 01.01.- **31.12.2013**	***Restated (*)*** ***Audited*** 01.01.- **31.12.2012**
Net profıt (loss) for the year	**(25.494)**	**6.513**
Other conıpreheısive income		
Itenıs not to be reclassified to profıt or loss in subsequent periods		
-Revaluation of property, machinery and equipment		6.622
-Actuarial gaiıı/loss arising from deflned beııefıt plans	(285)	(1.205)
-Tax effects	57	(1.083)
Other coııprehensive income / loss	**(228)**	**4.334**
Total conıprelıensive income	**(25.722)**	**10.847**
Attributable to		
Noıı-controlling interests	(181)	(115)
Equity holders ofthe parent	(25.541)	10.962

Tlıe accompanying notes are an integral part ofthese Consolidated fınancial statements.

(*)Seenote2.4 and 2.5.

KİLER ALIŞVERİŞ HİZMETLERİ GIDA SANAYİ VE TİCARET A.Ş.

STATEMENTS OF CONSOLIDATED CHANGES IN SHAREHOLDER'S EQUITY

FOR THE YEARS ENDED 31.12.2013 AND 31.12.2012

(Ali amounts in thousands ofTurkish Lira ("TL") unless indicated othervvise.)

			Other comprehensive income / (e\pense) not to be reclassified to profit or loss			Retained earnings				
	Share capitai	Share premium	Actuarial gain/loss arising from defined benefit plans	Revaluation reserve	Other gain/loss	Retained earnings	Net income (loss) for the year	Equity holders of the parent	Non-controlling interests	Total equity
Balances at 01.012012	134.620	66.150	–	9.153	5.156	5.344	(13.001)	207.422	578	208.000
Change in accounting policy-TAS 19, note 2.5			(1.644)			662	982			
Transfere						(12.019)	12.019			
Depreciation on buildings measured with fair value				(10)		10				
Total comprehensive income			(950)	5.298			6.614	10.962	(115)	10.847
Balances at 31.12.2012	134.620	66.150	(2.594)	14.441	5.156	(6.003)	6.614	218384	463	218.847
Balances at 01.012013	134.620	66.150	-	14.441	5.156	(7.647)	5.664	218.384	463	218.847
Change in accounting policy-TAS 19, note *25*	-	-	(2.594)	-	-	1.644	950			
Transfere	-	-		-		6.614	(6.614)	-		
Depreciation on buildings measured with fair value	-	-		(25)		25	--	-		-
Total comprehensive expense	-	-	(220)	-	-	-	(25.321)	**(25541)**	(181)	**(25.722)**
Balances at 31.12.2013	134.620	66.150	(2.814)	14.416	5.156	636	(25321)	192.843	282	193.125

The accompanying notes are an integral part ofthese Consolidated financial statements.

KİLER ALIŞVERİŞ HİZMETLERİ GIDA SANAYİ VE TİCARET A.Ş.
STATEMENTS OF CONSOLIDATED CASII FLO\V
FOR TIIE YEARS ENDED 31 DECEMBER 2013 AND 2012
(Ali amounts in thousands ofTurkish Lira ("TL") uııless indicated otherwise.)

	Notcs	*Audited* 01.01.- 31.12.2013	*Restated (*) Audited* 01.01.- 31.12.2012
A. Caslı Flows From Opcratiııg Activities			
Profit / (loss) for the pcriod		(25.494)	6.513
Adjustment to rcconcilc profit (loss) before tavation to net caslı providctl from operating activities:			
Deprcciation and amortisation expenses		17.725	18.522
Adjustments to provisioıı for diminution in valucof inveniorics	9	675	
Provision for inventories	22	14.644	-
Provisioıı for cıııployıııent termination benefits	15.b	2.942	1.858
Other short tenn provisions, net		(192)	717
Provision fordoubtflıl receivables	21	968	1.689
Iııterest income	24	(4.419)	(11.592)
Iııtcrest expensc	25	29.641	37.352
Adjusment to the unrealizable foreigıı exclıaııge gain/loss		22.278	(7.913)
Fair value of investıııent property	10	(8.972)	(5.824)
Tax income / expense	26	(992)	2.966
Iınpairment of goodvvill	13	2.476	583
Adjustments to the profit (loss) on sale of property, plant and equipment		(223)	(34)
Changes in discount on trade receivables and payables,net		(1.515)	877
Operating incomc before changes in assets and liabilities related >vitlı operating activities		49.542	45.714
Changes in trade receivables		29.012	(29.080)
Changes in inventories		(43.236)	(39.797)
Changes in other receivables		(486)	(464)
Changes iıı trade payables		21.344	58.854
Changes in other payables		(20.512)	(14.590)
Chîuıges in other operating activities		3.367	(3.505)
Eınployee termination benefits paid	15.b	(2.091)	(1.598)
Taxes paid		-	(322)
Net caslı providcd from operating activities		36.940	15.212
B. Caslı flows from investing activities			
Proceeds İrom sale of investment property and property, plant and equipment		2.197	252
Purchases of property, machinery and equipmeııt and intangible assets		(6.816)	(11.521)
Changes in financial investments,net		(184)	-
Net caslı provided by investing activities		(4.803)	(11.269)
C. Caslı fknvs from fiııanciııg activities			
Proceeds from borrovvings		250.262	222.076
Repayment of borrowings		(300.097)	(216.872)
Iııterest paid		(32.175)	(37.713)
Iııterest reccivcd		4.419	11.592
Other receivables to related parties		35.458	18.129
Other payables to related parties		3.340	(147)
Net caslı provided (used) in finaııcing activities		(38.793)	(2.935)
Net increase/decrease in cash and caslı equivaleııts (A+B+C)		(6.656)	1.008
D. Cash and cash equivalents at beginning of year		43.016	42.008
Cash and cash cquivaleııts at eııd of year (A+B+C+D)	4	36360	43.016

The accompanying notes are an integral part of these Consolidated financial statements.

(*)See ııole 2.4 and 2.5.

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 vvholesale of essential goods. As at 31.12.2013, Kiler has 140 stores (31.12.2012: 135) and together vvith its Consolidated subsidiary total number ofstores is 208 (31.12.2012: 202).

As at 31.12.2013, Kiler has 3,458 employees (31.12.2012: 3,625)

Kiler's ıegistered address is Namık Kemal Neighborhood, Kiler Road, Number: 96 Floor: 4 Esenyurt, istanbul

In the accompanying Consolidated fınancial statements, Kiler Alışveriş Hizmetleri Gıda Sanayi ve Ticaret A.Ş. is referred to as ("the Company") and together vvith 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"), vvas 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 (ııevv name Kiler Ankara) vvere sold to the Kiler Alışveriş. In 2011 Kiler Alışveriş is purchased shares from Canerler family agaiıı and the percentage is increased from 47% to 96%. As at 31.12.2013, there vvere 68 stores in Ankara (under the banner ofKiler) (31.12.2012:67).

Asat31.12.2013,thenumberofpersonnelemployed vvas 1.661 (31.12.2012: 1.712).

'fhe ıegistered address of Kiler Ankara is; Çamlıca Mahallesi 12. Sokak No: 8 Macunköy Yenimahalle, Ankara.

Doğu Aı as Enerji Yatırımları Anonim Şirketi

Doğu Aras Enerji Yatırımları Anonim Şirketi ("Doğu Aras") vvas established on 16.05.2013 in Erzurum. Doğu Aras is mainly engaged in establishing or participating in to the companies vvhich operates as retail, vvholesale and distributioıı of electrical energy. Kiler Alışveriş ovvns 51% shares of Doğu Aras.

The Company has purchased the 100% shares of Aras Elektrik Dağıtım Satış A.Ş. (Aras Edaş) and Aras Elektrik Perakende Satış A.Ş.'de (Aras Pesaş) from the Privatisation Administration of the Prime Ministry of Turkey for USD 128.5 million on 28.06.2013.

Türkiye Elektrik Dağıtım A.Ş. has tıansferred 100% shares of Aras Edaş ve Aras Pesaş to Doğu Aras according to Board Decisioıı dated 08.07.2013.

As of 31.12.2013, 51% of Doğu Aıas's shares, subsidiary of Kiler Alışveriş, vvas transferred to Kiler Holding A.Ş. The expenditures as the tender's requirement incurred by Kiler Alışveriş, vvere also transferred to Kiler Holding A.Ş. and collected at the same time. Kiler Alışveriş has not incurred any cost related to the tender.

Appı oval of fınancial statements

The Consolidated fınancial statements for the period ended 31 December 2013 vvere approved by the Board of Directors on 11.03.2014.

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

2.1. Basis of Presentation

The accompaııying financial statements are prepared in accordance with the CMB's Communique Serial II, No: 14.1, "Principles of financial reporting in capitai markets" ("the Commuııique") publishcd in the OfFıcial Gazette numbeıed 28676 on 13 Juıre 2013. Accordiııg to the article 5 ofthe Communique, financial statements are prepared in accordance with Turkish Accounting Standards/Turkish Financial Reporting Staııdards ("TAS/TFRS") and its addendum and interpıetations ("IFRIC") issued by Public Oversight Accounting and Auditiııg Standaıds Authority ("POAASA") Turkish Accounting Standards Board.

Ilıe Company's financial statements do not inelude ali diselosures and notes that should be ineluded at year end financial statements. Theıefoıe financial statements should be read in conjunctioıı with the year 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.

2.2 Goiııg Concern

Tlıe Group prepares their financial statements in accordance with the principles of going concenı.

2.3. Measuremcnt currency and reporting curreııcy

Tlıe 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 vvith fair value.

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

For the compatibility ofthe current financial statements the comparative financial statements are reclassified if necessary, and material dilferences are diselosed.

As of31.12.2012, advances given amounting to TL 5,083, which was accounted under "Other current asset", was reclassified to "Prepaid expenses"

As of 31.12.2012, advances given for business amounting to TL 7,172, vvhich was accounted under "Other current asset", was reclassificd to "Prepaid expenses"

As of 31.12.2012, prepaid insurance and reııt expenses amounting to TL 5,529, vvhich was accounted under "Other current asset", vvas reclassified to "Prepaid expenses".

As of 31.12.2012, prepaid insurance and rent expenses amounting to TL 2,493, vvhiclı was accounted under "Other non-current asset", was reclassified to "Prepaid expenses".

As of31.12.2012, income accrual to TL 227, vvhiclı vvas accounted under "Other current asset", vvas reclassified to "Other receivables".

As of 31.12.2012, financial liabilities amounting to TL 56,817, vvhich vvas accounted under "Current financial liabilities", vvas reclassified to "Shoıt temi portion of long temi financial liabilities".

As of 31.12.2012, payables to persoıınel amounting to TL 4,665, vvhich vvas accounted under "Other payables", vvas reclassified to "Employee benefit obligations".

As of 31.12.2012, social security premiums payablc amounting to TL 3,079, wlıich vvas accounted under "Other current liabilities", vvas reclassified to "Employee benefıt obligations".

As of31.12.2012, advances received amounting to TL 151, vvhich vvas accounted under "Other payables", vvas reclassified to "Defeıred income".

As of31.12.2012, increase in value of subsidiaries (accordiııg to Bring in Assets to the National Economy Lavv numbered 5811) amounting to TL 5,156, vvhich vvas accounted under "Revaluatioıı fiınd", vvas reclassified to "Items that vvill not be reclassified subsequently to profit or loss as other gains /losses".

As of31.12.2012, revaluation fund of land and buildings amounting to TL 14,441, vvhich vvas accounted under "Revaluatioıı fiınd", vvas reclassified to "Items that vvill not be reclassified subsequently to profit or loss as revaluation gains / losses".

As of 31.12.2012, tenn diflfereııce income arising from trade receivables and payables amounting to TL 442, vvhich vvas accounted under "finaıicing income", vvas reclassified to "other operating income".

As of31.12.2012, temi difference expenses arising from trade receivables and payables amounting to TL 5,648, vvhich vvas accounted under "financing expense", vvas reclassified to "other operating expense".

As of 31.12.2012, interest cost of provision of employee termination benefits amounting to TL 485,vvhich vvas accounted under "General administrative expenses", vvas reclassified to "Financial expenses".

As of31.12.2012, profit on sale of fixed assets and positive difference in valuation of investment pıoperties amounting to TL 5,910 ,vvhich vvas accounted under "other operating income", vvas reclassified to "income from investment activities".

As of31.12.2012, loss on sale of fixed assets and impairment of goodvvill amounting to TL 639, vvhich vvas accounted under "other operating income", vvas reclassified to "expenses from investment activities".

2.5. Changes in accounting policies, estimates and correctioıı of errors

The effect of a change in accounting policy is applied retrospectively and prior period fınancial statements are issued againı. If the changes in accounting estimation are in accordance vvith only one period, it is carried out in the same changing period but if the changes are in accordance vvith forvvaıd periods, it is carried out in the changing period and for forvvard periods.

The correctioıı of fundamental errors that relate to the current period is normal ly included in the determination of net profit or loss for the current period. The correctioıı 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 correctioıı 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 measuıed its investment properties and its land and buildings vvith cost method until 31.12.2009. On 31.12.2009 the Group chooses to measure its investment properties and land and buildings vvith fair value method.

TAS 19, Employee Termination Benefits, elfective from 01.01.2013, ıequires 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 vvere restated in actuarial gains / losses arising from defined benefit plans under shareholders equity. The effect of changes is detailed belovv:

(Ali amounts in thousands ofTurkish Lira ("TL") unless indicated othervvise.)

Actuarial gain / loss amounting TL 950 netted off deferred tax vvhich vvere disclosed under net profıt for the peı iod and actuarial gain / loss amounting TL 1,644 netted off deferred tax vvhich vvere 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 üne under sharcholders' equity.

2.6. Offsctting

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

2.7. Basis of consolidatioıı

Consolidated fınancial statements include fınancial statements vvhich are prepared as of the same date, of the Company and Subsidiaries

The consolidatioıı policy adopted by the Company in the preparation of its financial statements is explained belovv:

Tlıe coıısolidation policy adopted by the Company in the preparation of its financial statements is explaiııed belovv:

The Consolidated financial statements incorpoıate the financial statements of the Company and eııtities controlled by the Company. Control is achieved vvhere the Company has the povver 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. Ali intra-gı oup traıısactions, balances, income and expenses are eliminated on consolidatioıı. Minority interests in the net assets of Consolidated subsidiaries are ideııtified separately from the Group's equity theıein. 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 combinatioıı.

Tlıe Consolidated subsidiary is detailed belovv;

	Economic interest (%)		Ovvnership iıterest rate (%)	
Consolidated company	**31.12.2013**	**31.12.2012**	**31.12.2013**	**31.12.2012**
Kiler Ankara Mağazacılık Sanayi ve Ticaret A.Ş.	%	%	%	%

2.8. Critical accounting cstimates, assumptions and judgment

Ilıe preparation of financial statements requires management to nıake estimates and assumptions that affect reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of ıevenues and expenses during the reporting period. Actual results could differ from these estimates. These estimates are revievved periodically and as adjustments become necessary they are reported in earnings in the periods in vvhich they become knovvıı.

The key assumptions conceming the future and other key sources of estimation uncertainty at the balance sheet date and the significant judgments are set out belovv:

- Allovvance for doubtful debts ıeflect the amount set aside for the losses in the future related to receivables vvhich exist at the balance sheet date but vvhich, in the opinion of the management, caıry the risk of collection due to current economic conditions. When evalııating vvhether receivables lıave suffered a loss in value the past performance ofthe debtoıs, their credibility in the market and their performance betvveen the balance sheet date and report date together vvith changed circumstances are taken into consideration. In additioıı the collaterals existing as at the balance sheet date together vvith ııevv collaterals obtained betvveen the balance sheet date and report date are also taken into consideration.(note 7, 8 and 16)

- When setting aside the provision for legal claims the probability of losing the related case and the results expected to Be suffered in the event that the legal counsel ofthe Group and management ofthe Group make their best estimates to calculate the provision required.(note 14).

- As for the diminution in value of stocks, ali stocks are subjected to reviewv and their usage possibility ascertained on basis of the opinion of the technical personnel; provisions are set aside for items expected not to have usage possibility. Calculation of net realizable values of stocks is based on selliııg prices as disclosed by selling pı ice lists after deduction for average discounts given during the year and selling expenses to be incurred for the realization of stocks. Ifthe net realizable value of any stock falls under its cost price appropriate provisions are therefore set aside (note 9).

- Property, plant and equipment and intangible assets held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Tlıe Group estimates the usefııl life of tangible and intangible assets. Depreciation is clıarged usiıig the straight üne basis över the usefııl life vvhich depends on the best estimation of the management. The usefııl life of property, plant and equipment and intangible assets are revievved at each balance sheet date and changes are made as ıiecessary (note 2.9).

- Deferred tax assets are accounted for only vvlıere it is likely that related temporary differences and accumulated losses vvill be recovered tlırouglı expected future profits. When accounting for deferred tax losses it is necessary to make important estimations and evaluations vvith regard to taxable profits in the future periods.

- Tlıe Group performs impairment tests on goodvvill annually at 31 December. The ıecoverable amount of the caslı generating unit has been determined based on the fair value less costs to seli calculations. Those calculations are based on discounted net caslı flovv after tax projectioııs vvhich are based on the Group's fıve-year business plans. (note 2.9) The discount rate used for the calculation of value in use is 8,81 % per annum after tax(Note 13).

2.9. **Sunımary of Significant Accounting Policics**

Significant accounting policies for financial statements are summarized belovv:

Revenue Recognition

The Group operates in its retail stores for the selling of food and dı inks and durable consumer goods. Tlıe selling of goods is ıecorded once the goods are sold to the customer. The retail sales are generally in cıedit card or caslı payments.

Tlıe income obtained from the sellers, the revenue premiums, the discounts obtained from sellers and the advertisement participation income recorded on accrual basis.

Trade receivables / payables
Trade receivables are measured at initial recognition at fair value and are subsequently measured at amortized cost using the effective interest rate method to set an allowance for unearned interest. Appropriate allowances for estimated irrecoverable amounts are ıecognized in profit or loss when there is objective evidence that the asset is impaired. The allovvance recognized is measured as the difference betvveen the asset's caırying amount and the present value of estimated fıiture cash flows discounted at the effective interest rate computed at initial recognition. The decreases in the impairmcnt of receivables are ıeflected in the current comprehensive period income statement.

inventories
İnventories are stated at the lower of cost and net realizable value. Costs comprise diıect materials and, vvhere applicable, diıect labor costs and those overheads that lıave been incurred in bringing the inventories to their present location and condition. Cost is calculated by the vveighted average method. Net realizable value represents the estimated selling price less ali estimated costs to completion and costs to be incurred in marketing, selling and distribution.

Property, plant and equipment
Property, plant and equipment (exccpt land and buildings) are stated at cost less accumulated depreciation and impairment. As of 31.12.2009 the Group accounted its land and buildings under a revaluation model using the fair value method. The accumulated depreciation of the buildings is netted ofT vvith the cost and the net value is inereased to the valued amount. Depreciation is provided on a straight-line basis based on the approximate useful economic life as follovvs:

	Year
Buildings	50
Machinery and equipment	10-20
Vehicles	7-14
Fumiture and Fixtures	7-20
Leaselıold iınprovements	10-14

At each balance slıeet date, property, plant and equipment and intangible assets are reviewed for impairment vvlıenever events or clıanges in circumstances indicate that the carrying amount of an asset may not be recoverable. Whenever the canying amount of an asset exceeds its recoverable amount, an impairment loss is recognized in income for items of tangible and intangibles carried at cost. Recoverable value is the lıigher ofthe net sales value and the value of the use.

The gain or loss arising from the disposal or derecognition of an item of property, plant and equipment is the difference betvveen the net sales proceeds, if any, and the restated caırying amount. The gain or loss arising from the disposal of an item of property, plant and equipment is recognized in profit or loss.

Expenditure that arises as a result of any of the real assets being replaced results in capitalizatioıı together vvith maintenance and fıxtures. Other expenses that arise at a later date that add to the economic value of the produet are also capitalized. Ali other expenses are accounted for as tlıey are in the income statement during the assessmeııt.

investment property
investment property is property (land or a building or part of a building or both) held (by the ovvner or by the lessee under a fınance lease) to earn ıentals or for capital appreciatioıı or both.

investment property is recognized as an asset vvhen it is probable that the future economic benefits that are associated vvith the property vvill flovv to the eııtity, and the cost of the property can be reliably measured

initial measurement
investment property is initially measured at cost, ineluding transaction costs. Such cost should not inelude start-up costs, abnormal vvaste, or initial operating losses incurred before the investment property achieves the planned level of occupancy

***Measurement** subsecjııent to initial recognition*

1AS 40 permits entities to choose between the fair value model and the cost model.

Fair value model

İnvestment property is ıe-measured at fair value, vvhich is the amount for vvhich the property could be exchanged betvveen kııovvledgeable, vvilling parties in an arm's lengtlı transaction. Gains or losses arising from changes in the fair value of investment property are iııcluded in net profit or loss for the period in vvhich it arises.

Cost Model

After initial recognition, investment property is accounted for in accordance vvith the cost model as set out in property, plant and equipment - cost less accumulated depreciation and less accumulated impairment losses.

Ali the investments properties should be accounted vvith the same accounting policy explained above.

Tlıe Group measured investment properties using the cost model until 31.12.2009. Since 31.12.2009 the Group has used the fair value model.

intangible assets

An intangible asset is recognized if it meets the identifiable criteria of intangibles, coııtrol exists över the asset and it is probable that the expected fıiture economic benefits that are attributable to the asset vvill flovv to the entity and the costs can be measured reliably. İntangible assets are canied at cost less accumulated amortization and impairment. Amortization of intangible assets except goodvvill for vvhich the accounting is explained above is allocated on a systematic pro-ıata basis using the straight-line method

	Year
Other intangible assets	2-14

Goodvvill

Goodvvill arising on the acquisition of a subsidiary or a jointly coııtrolled entity represents the excess of the cost of acquisition över the Group's inteıest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the subsidiary or jointly coııtrolled entity recognized at the date of acquisition. Goodvvill is initially recognized as an asset at cost and is subsequeııtly measured at cost less any accumulated impairment losses.

A cash-geııerating unit to vvhich goodvvill has been allocated is tested for impairment annually, or more frequeııtly vvhen there is iııdicatioıı that the unit may be impaired. İf the recoverable amount of the cash-generating unit is less tlıan its carrying amount, the impaimıent loss is allocated first to reduce the carrying amount of any goodvvill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodvvill is recognized directly in profit or loss in the consolidatcd income statement. An impaimıent loss recognized for goodvvill is not reversed in subsequent periods

impaimıent of assets

The Group assesses for assets for impairment vvlıenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. An impaimıent loss is recognized for the amount by vvhich the asset's carrying amount exceeds its recoverable amount.

Tlıe recoverable amount is the higher of an asset's fair value less costs to seli or value in use. impaimıent losses are recognized in the income statement.

Financial invcstments
The Group classifıes its fınancial assets held for trading.

Financial assets held for trading are either acquired for generating a profit from short tenn fluctuations in price or dealer's margin, or included in a portfolio in which a pattem ofshort terin profit-making exists.

Financial assets held for trading are iıitially recognized at cost and are subsequently re-measured at fair value based on quoted bid pı ices. Ali related realized and ımrealized gains and losses are included in the Consolidated income statements.

Effective interest method
The effective interest method is a method of calculating the amortized cost of a financial asset and of allocating interest income över the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life ofthe financial liability, or, vvhere appropriate, a shorter period.

Bank borrovvings
Interest-bearing bank loans and overdrafts are recognized at fair value at initial recognition vvhich equate to the proceeds received, net of direct issue costs. Finance charges, including premiums payable on settlement or redemption, are accounted for 0l1 an accruals basis and are added to the carrying amount ofthe instrument to the extent that they are not settled in the period in vvhich they arise.

Borrovving costs
Borrovving costs directly attributable to the acquisitioıı, construction or pıoduction of qualifying assets, vvhich are assets that necessarily take a substantial period of time to get ready for tlıeir intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. investment income earned 0l1 the temporary investment of specific borrovvings pending their expenditure on qualifying assets is deducted from the cost of those assets. Ali otlıcr borrovving costs are recognized in net profit or loss in the period in vvhich they are incurred.

Foreign currency transactions
Transactioııs in foreign currencies during the periods lıave been translated at the exclıange rates pıevailing at the dates of these transactions. Balance slıeet items denominated in foreign currencies have been translated at the exchange rates prevailing at the balance slıeet dates. The foreign exchange gains and losses are recognized in the income statement.

	31.12.2013	**31.12.2012**
USD	2,1343	1,7826
EURO	2,9365	2,3517
GBP	3,5114	2,8708

Earnings perslıare
Eamings per share diselosed in the income statement are determined by dividing net income by the vveighted average number of shares

Otlıer provisions, coıtingcnt liabilities and contingeıt assets
Other provisions are recognized vvhen present obligations wili probably lead to an outflovv of economic resources from the Group and they can be estimated reliably. Timing or amount of the outflovv may stili be uncertain. A present obligation arises from the presence of a legal or constructive commitment that has resulted from past events, for example, product vvarranties granted legal disputes or onerous contracts. Restructuring provisions are recognized only if a detailed formal plan for the restructuring has been developed and implemented, or management has at least announced the plan's main features to those affected by it. Provisions are not recognized for future operating losses. Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the balance sheet date, ineluding the risks and unceıtainties associated vvith the present obligation. Any reimbursement expected to be received in the course of settlement of the present obligation is recognized, if virtually certain as a separate asset, not exceeding the amount of the related provision.

Where theıe are a number of similar obligations, the likelihood that an outflovv vvill be requiıed in settlement is determined by consideriııg the elass of obligations as a vvhole. In addition, long term provisions are discounted to their present values, vvhere time value of money is material. Ali provisions are ıevievved at eaclı balance sheet date and adjusted to reflect the current best estimate.

İn those cases vvhere the possible outflovv of economic resouıce as a result of present obligations is consideıed improbable or remote, or the amount to be provided for cannot be measured reliably, no liability is recognized in the balance sheet. Probable inflovvs of economic benefits to the Company that do not yet meet the recognition criteria of an asset are considered contingent assets.

Leases
Financial leases
Finance leases, vvhich transfer to the Group substantially ali the risks and benefits incidental to ovvnership of the leased item, are capitalized at the inceptioıı of the lease at the fair value of the leased property or, if lovver, at the present value of the minimum lease payments. Lease paymeııts are apportioned betvveen the finance charges and reduetion of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly against income. Capitalized leased assets are depreciated över the estimated useful life of the asset.

Related Parties
Parties are considered to be related if one party has the ability to control the other party or exercise significant influence över the other party in making the financial and operating decisions. For the purpose of these Consolidated financial statements shareholders are referred to as related parties. Related parties also inelude individuals that are principle ovvners, management and members of the Group's Board of Directors and their families. (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of vvhich the other entity is a member).

Subsequcnt events
The Group retrospectively ıecognizes events afier the balance sheet date if adjustmcnt is required. If events after the balance sheet date do not require any adjustment, necessary diselosures are made in the notes of the financial statements

Segment Reporting

As the Group opeıates in a single business segment and in a single geographic locatioıı, there is no basis for segment reporting

Government Incentives and Subsidies
These are refleeted in the financial statements vvhen the Group has complied vvith ali of the requirements and reasoıable assuratıce is formed that incentive or assistance vvill be obtaiııed. Liabilities to goverıımental departments vvhich may be forgone by the authoritics are accepted as government incentives vvhen reasoııable assurance is fomıed that suclı liabilities vvill not be paid because the Group has complied vvith ali the requirements related to the liability.

Customcrloyalty program
Tlıe money points vvhich the Group offers to its customers go vvithin the context of IFRIC 13. Customers obtain ıııoney points vvhen they slıop from the stores vvhich they can then use later. The Company accounts for the points that its customers obtain at fair values as deferred expense and accoıding to IFRIC 13 tlıis amount is reduced from sales.

Taxation
income tax expense represeııts the sum of the tax currently payable and defeiTed tax. The tax currently payable is based on taxable profit for the year. Taxable profıt differs from profit as repoıled in the income statement bccause it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible.

Deferred tax liabilities or assets are recognized on differences betvveen the carrying amounts of assets and liabilities in the financial statements and the correspoıiding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method.

Deferred tax liabilities are generally recognized for ali taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits vvill be available against vvhich deductible temporary differences can be utilized.

The carrying amount of deferred tax assets is revievved at each balance sheet date and reduced to the extent that it is no longer probable that suffıcient taxable profits vvill be available to allovv ali or part of the asset to be used.

Defened tax is calculated at the tax rates that are expected to apply in the period vvhen the liability is settled or the asset realized. Deferred tax is charged or credited to profit or loss, except vvhen it relates to items chaıged or cıedited directly to equity, in vvhich case the deferred tax is also dealt vvith in equity

Provision for employee termiııation bencfıts
Under Turkish lavv and unioıı agreements, seveıance payments are made to employees retiring or involuntaı ily leaving the Group. Such payments are considered as being part of the defined retirement beııefit plan as per International Accounting Standard No: 19 (revised) "Employee Beııefits" ("IAS 19"). The retirement benefit obligation recognized in the balance sheet represeııts the present value of the defined benefit obligation as adjusted for unrecogııized actuarial gaiııs and losses.

Caslı flovv statements
Cash and cash equivaleııts, vvhich are the slıort tenn investments in caslı flovv statements, comprise of caslı, bank deposits and investments of less than tlıree months maturity and can be directly converted to the cash and are not under the high risk of value changing.

2.10. Staııdards, amendmeııts and interpretations to existing staııdards that are not yet effective and Iıave not beeıı adopted early by the Company

At the date of authorisation of these Consolidated financial statements, certain ııevv standards, amendments and interpretations to existing standards Iıave been publislıed but are not yet effective, and Iıave not been adopted early by the Group.

2.10.1 The new standards, amendments aııd interpretation adopted in the periods beginııiııg on 01.01.2014 summarized in belovv:

- IAS 32 (Amendment) "Financial Instruments: Presentation- Offsetting of Financial Assets and Financial Liabilities"
- TFRS 9 " Financial Instruments - Classification and measurement"

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

- İFRS 10 Consolidated Financial Statements
- International Financial Reporting Interpretation Committee ("IFRIC") Interpretation 21 Levies
- IAS 36 impairment of Assets - Recoverable Amount Disclosures for Non-Financial assets (Amendment)
- IAS 39 Financial Instruments: Recognition and Measurement - Novation of Derivatives and Continuation of Hedge Accounting (Amendment)
- IFRS 9 Financial Instruments- Hedge Accounting and amendments to IFRS 9, IFRS 7 and IAS 39-IFRS 9 (2013)
- 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 TFRS. The Group will make the necessary changes to its financial statements a her the new standards and interpretations are issued and become effective under TFRS

2.10.3 Resolutions promulgated by the Public Oversight Authority

In addition to those mentioned above, the POA has promulgated the followving resolutions regarding the implementation of Turkish Accounting Standards. "Illustrative financial statement and user guide" became immediately effective at its date of issuance; hovvever, the other resolutions shall become effective for the annual reporting periods beginning after 31 December 2012.

2013-1 Illustrative Financial Statement and User Guide

2013-2 Accounting of Combinations under Common Control

2013-3 Accounting of Redeemed Share Certificates

2013-4 Accounting of Cross Shareholding Investments

These resolutions did not have an impact on the financial statements of the Group

(Ali amounts in thousands ofTurkish Lira ("TL") unless indicatcd othervvisc.)

NOTE 3- SEGMENT REPORTİNG

Tlıe Management has decided that the industrial segments are the primary the reporting segments considering that the risks and retunıs of the Company are affected by developments in the retail sector. Tlıe Management believes that the Company operates in a single industry sector as the risks and returns for the activities do not slıow any material difference because the scopc of activity covers oıily the retail sale of food, driıiks and durable consumer goods and classes of customers are similar. As a result ali infonnation related to the primary reporting segment has been fully presented in the attaclıed fınancial statements

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

NOTE 4 - CASH AND CASH EQUIVALENTS

	31.12.2013	**31.12.2012**
Cash	14.798	10.724
Banks		
- Demand deposit	2.082	1.236
Credit card receivables	19.480	31.056
	36.360	**43.016**

NOTE 5- FINANCIAL İNVESTMENTS

Short ternı fınancial investments - available for sale		
Financial certifıcate	**184**	

	Percentage %		Amount	
	31.12.2013	**31.12.2012**	**31.12.2013**	**31.12.2012**
Long terin fınancial investments - available for sale				
KBC Gıda Sanayi Ticaret Limited Şirketi	10,85	10,85	**54**	**54**

(Ali amounts in thousands ofTurkish Lira ("TL") unless indicated otherwise.)

NOTE 6 - FINANCIAL LİABİLİTİES

	31.12.2013	31.12.2012
Current		
Bank loans		
- TL bank loans	121.965	145.492
- USD bank loans	100.528	32.431
- EURO bank loans	124	234
	222.617	**178.157**
Short terin portion of Ioııg terin fınancial liabilities		
Bank loans		
-TLbank loans	8.262	8.819
- USD bank loans	12.429	46.598
Leasing payables		
-TLbank loans	1.586	1.400
	22.277	**56.817**
Non-current		
Bank loans		
-TL bank loans	653	3.010
- USD bank loans	17.945	51.153
Leasing payables		
-TL bank loans	965	2.550
	19.563	**56.713**

The maturity of fınancial liabilities is listed belovv:

0 - 3 moııths	83.036	60.996
3-12 months	161.858	173.978
1-2 moııths	12.426	43.178
2-3 months	7.137	9.852
3-4 months	-	3.683
	264.457	**291.687**

As of31.12.2013 average effective rates are 12.06 % for financial liabilities in TL(31.12.2012: %16,15), 5.34% for fınancial liabilities in USD(31.12.2012:%6,17) and 3.60% for financial liabilities in EURO(31.12.2012:%7,80).

Groups vvhich Iıave been obtained from various financial inslitutions for loans gave various guaıantees (notel4.b).

(Ali amounts in thousands ofTuıkish Lira ("TL") unless indicated othervvise.)

NOTE 7 - TRADE RECEİVABLES AND PAYABLES

	31.12.2013	31.12.2012
Current		
Trade receivables		
- Third parties	2.358	3.581
- Related parties (note 28)	1.860	29.765
Notes receivable		
- Third parties	236	167
	4.454	33.513
Uneamed interest on receivables (-)		
-Third parties	(69)	(17)
- Related parties (note 28)	(33)	(481)
Provision for doubtfi.il receivables (-)	(651)	(648)
	3.701	**32.367**

Movement of doubtfi.il receivables is given belovv:

	01.01.- **31.12.2013**	01.01." **31.12.2012**
Opening balance, 01 January	648	**833**
Charge for the year	50	46
Reversal of unnecessary provision (-)	(21)	(50)
Doubtfiıl receivables \vritten-off (-)	(26)	(181)
Closiıg balance, 31 December	**651**	**648**

Trade receivables from third parties maturity is listed below:

Overdue receivables	651	669
Up to 3 months	941	3.044
Betvveen 3-6 months	1.002	35
	2.594	**3.748**

Trade receivables lrom related parties maturity is listed below

Upto 3 months	1.393	20.392
Betvveen 3-6 months	467	9.373
	1.860	**29.765**

KİLER ALIŞVERİŞ HİZMETLERİ GIDA SANAYİ VE TİCARET A.Ş.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
AS OF AND FOR THE INTERIM PERIOD ENDED 31.12.2013

(Ali amounts in thousaııds ofTurkish Lira ("TL") unless indicated otherwise.)

	31.12.2013	**31.12.2012**
Current		
Trade payables		
- Third parties	200.920	174.981
- Related parties (note 28)	4.115	4.143
Notes payable		
- Third parties	25.949	30.066
- Related parties (note 28)	1.401	1.221
Other trade payables	175	124
	232.560	210.535
Uneamed inteı est on payables (-)		
- Third parties	(2.904)	(1.825)
- Related parties (note 28)	(73)	(33)
	229.583	**208.677**
Non-current		
Notes payable		
- Third parties	.	**681**

Trade payables to third parties maturity listed belovv:

Up to 3 months	211.939	185.714
Betvveen 3-6 months	13.351	17.085
Betvveen 6-12 months	1.754	2.372
Morethan 1 year	–	681
	227.044	**205.852**

Trade payables to related parties maturity listed belovv:

Up to 3 months	4.874	5.364
Betvveen 3-6 months	642	–
	5.516	**5.364**

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

NOTE 8 - OTHER RECEİVABLES AND PAYABLES

	31.12.2013	31.12.2012
Other current receivables		
Other		
- Third parties	4.358	3.928
- Related parties (note 28)	45.149	77.747
	49.507	81.675
Provision for doubtful receivables (-)	(2.413)	(2.364)
	47.094	**79.311**

Movement of doubtful receivables is given below:

	01.01.- 31.12.2013	01.01.- 31.12.2012
Opening balance, 01 January	**2.364**	**2.062**
Charge for the year	105	345
Reversal of unnecessary provision (-)	(56)	(34)
Doubtful receivables written-off(-)	-	(9)
Closing balance, 31 December	**2.413**	**2.364**

Other current payables		
Other		
- Third parties	5.736	20.560
- Related parties (note 28)	3.970	630
	9.706	**21.190**
Other non-current payables		
Other		
-Third parties		**5.688**

(Ali amounts in thousands ofTurkish Lira ("TL") unless iııdicated othervvise.)

NOTE 9 - İNVENTORİES

	31.12.2013	**31.12.2012**
Ravv mateıials	2.878	3.757
Merchandises	343.579	314.041
Other inventories	61	128
Provision for diminution in value (-)	(675)	
	345.843	**317.926**

The movement ofprovision for inventories is detailed belovv

	01.01.- 31.12.2013	**01.01.- 31.12.2012**
Opeııing balance, 01 January		**975**
Charge for the year	675	
Reversal ofunnecessary provision (-)		(975)
Closiıig balance, 31 December	**675**	-

NOTE 10- İNVESTMENT PROPERTY

	31.12.2011	**Revaluation differences**	**31.12.2012**	**Disposals**	**Revaluation differences**	**31.12.2013**
Land	1.310	246	1.556	(1.362)	41	235
Building	51.107	5.578	56.685		8.931	65.616
Net book value	**52.417**	**5.824**	**58.241**	**(1.362)**	**8.972**	**65.851**

Dctails ofthe revaluation transaction for 2012 are given belovv;

Explanation	**Expert company**	**Expcrt report date**	**Report number**	**Net book value**	**Fair value**	**lncreasc in value**
Bahçelievlcr land	PSKB Gayrimenkul Değerleme A.Ş.	31.01.2014	2014A34	194	235	41
Esenyurt building (sectioııs numbered 8, 10, 11, 12, 13, 15, 17, 18 and 19)	TSKB Gayrimenkul Değerleme A.Ş.	31.01.2014	2014A35	56.685	65.616	8.931
				56.879	**65.851**	**8.972**

(*)As of 31.12.2013, the differences betvveen the net book value (TL 56.879) and fair value (TL 65.851) of investment properties amounting to TL 8.972 vvas credited to Consolidated statements of profit or loss for the year ended 31.12.2013 under the heading of income from investment activities

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Dctails of investment property are listed belovv:

Explanation	Squarc metcrs	Squarc meters İcasctl	Monthlv rcnt	Net book value
Bahçelievler land	105			235
Esenyurt building (sections numbered 8,15, 17, 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
	34.042	**24.333**		**65.851**

As of the report date the Group's investment properties are mortgaged by baıks as follovvs:

			31.12.2013		31.12.2012	
Bank	Mortgage degree	Foıeign currency type	Foreign currency amount	TL cquivalcnt	Foreign currency amount	TL equivalent
Türkiye Halk Bankası A.Ş.	1	USD	22.500	48.022	22.500	40.109
Yapı Kredi Bankası A.Ş.	1	USD	16.500	35.216	16.500	29.413
Yapı Kredi Bankası A.Ş.	2	TL	11.250	11.250	11.250	11.250
Yapı Kredi Bankası A.Ş.	3	TL	3.750	3.750	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

	31.12.2011	Additions	Disposals	Revaluation differences	31.12.2012	Additions	Disposals	31.12.2013
Cost								
Land	32.311	-	-	8.648	40.959	-	-	40.959
Buildings	15.423	-	-	(2.680)	12.743		-	12.743
Machinery and equipment	3.715	17	-	-	3.732	-	-	3.732
Vehicles	14.444	1.333	(364)	-	15.413	1.873	(1.297)	15.989
Furniture and fixtures	134.129	4.156	(30)	-	138.255	2.335	(184)	140.406
Leasehold improvements	48.560	5.986	-	-	54.546	2.500	(13)	57.033
Machinery and equipment under financial leasing	2.953	-	-	-	2.953	-	-	2.953
Vehicles under financial leasing	380	-	-	-	380	-	-	380
Furniture and fixtures under financial leasing	5.961	-	-	-	5.961	-	-	5.961
	257.876	**11.492**	**(394)**	**5.968**	**274.942**	**6.708**	**(1.494)**	**280.156**
Accumulated depreciation								
Buildings	414	240	-	(654)	-	271	-	271
Machinery and equipment	2.041	254	-		2.295	246	-	2.541
Vehicles	7.038	912	(146)	-	7.804	1.426	(796)	8.434
Furniture and fixtures	74.451	12.069	(30)	-	86.490	10.525	(85)	96.930
Leasehold improvements	19.565	3.928	-	-	23.493	4.171	0)	27.663
Machinery and equipment under financial leasing	581	240		-	821	240	-	1.061
Vehicles under financial leasing	212	38	-	-	250	38	-	288
Furniture and fixtures under financial leasing	983	651	-	-	1.634	651	-	2.285
	105.285	**18.332**	**(176)**	**(654)**	**122.787**	**17.568**	**(882)**	**139.473**
Net book value	**152.591**				**152.155**			**140.683**

(Ali amounts in thousands ofTurkish Lira ("TL") unless iıdicated othervvise.)

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

			31.12.2013		31.12.2012	
Bank name	**Mortgage degree**	**Foreign currency type**	**Foreign currency amount**	**TL equivalent**	**Foreign currency amount**	**TL cquivalent**
Türkiye Finans Katılım Bankası A.Ş.	1	TL	25.000	25.000	25.000	25.000
Türkiye Halk Bankası A.Ş.	1	USD	22.500	48.022	22.500	40.109
AlbaıakaTürk Katılım Bankası A.Ş.	1	TL	20.000	20.000	20.000	20.000
Marmara Kurumlar Vergi Dairesi Müdürlüğü	1	TL		-	2.400	2.400
Tiirkland Bank A.Ş.	1	TL	21.000	21.000	21.000	21.000

NOTE 12 - İNTANGİBLE ASSETS

	31.12.2011	Additions	31.12.2012	Additioııs	31.12.2013
Other intangible assets					
Cost	1.926	29	1.955	108	2.063
Accumulated amortization	1.184	190	1.374	157	1.531
Net book value	**742**	**(161)**	**581**	**(49)**	**532**

Other intangible assets mainly consist ofprograms, softvvare and licenses.

NOTE 13-GOODWILL

	31.12.2013	31.12.2012
Kiler Ankara Mağazacılık Sanayi ve Ticaret A.Ş.	57.589	60.065
Kiler Trakya Mağazacılık Sanayi ve Ticaret A.Ş.	12.920	12.920
	70.509	**72.985**

Movement ofgoodwill is as followvs:

	01.01.-31.12.2013	01.01.-31.12.2012
Opening balance as of 01 January	**72.985**	**73.568**
Goodvvill impairment(-)	(2.476)	(583)
Closing balance, 31 December	**70.509**	**72.985**

(Ali amounts in thousands ofTurkish Lira ("TL") unless indicated othervvise.)

The goodvvill amount is related to stores as cash-geııerating unit by Group management. The recoverable amount of cash-generating unit vvas determiııed based on value-in-use calculations. These value-in-use calculations include the discounted aftertax cash flovv projections, vvhich are based on TL budgets appı oved by management covering five year period.

The Group management determiııed the budgeted gross profit margin by takiııg into consideration the previous performance of the company and the market grovvtlı expectations. The discount rate 8.81% (31.12.2012:%6, 22) used is the after tax discouııt rate.

As a result of the impairment tests performed under above assumptions TL 2.476 (31.12.2012: 583TL) impairment vvas detccted in the goodvvill amount as of 31.12.2012. This amount has been deducted from the cash generating unit of the goodvvill. The provision of this impairment expense has related to other expenses account in the compıehensive income statement.

NOTE 14- PROVİSİONS, COMMU MENTS AND CONTINGENCIES

14.a Other short-term provisions

	31.12.2013	31.12.2012
Provision of lavvsuits	**9.551**	**9.743**

llıere are several lavv suits vvhich have been fıled against or in favor of the Group. These lavvsuits mainly coıısist of receivables, reııt and employee lavv suits. The management evaluates the possible effect ofthese lavv 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 accompaııying financial statements.

Movement ofprovision of lavvsuits duringthe year is as follovvs;

	01.01.- **31.12.2013**	01.01.- **31.12.2012**
Opening balance as of 01 January	**9.743**	**9.026**
Clıarge for the year	1.859	1.831
Reversal of unnecessary provision (-)	(2.051)	(1.114)
Closiııg balance, 31 December	**9.551**	**9.743**

As of 31.12.2013, tlıere are a total of 222 lavvsuits and enforcemcnt proceedings opened by the Company amounting to TL 4,795. Tlıere are a total of 592 lavvsuits and enfoıcement proceedings vvhich had been fıled against the Company amounting to TL 9,217.

As of 31.12.2012, tlıere are a total of 199 lavvsuits and enfoıcement proceedings opened by the Company amounting to TL 4,941. Tlıere are a total of 618 lavvsuits and eııforcement proceedings vvhich had been fıled against the Company amounting to TL 8,668.

(Ali amounts in thousands ofTurkish Lira ('TL") unless indicated othervvise.)

14.b Commitments and Contiıgencics

Collaterals. Pledges, Mortgages ("CPM") given by the Group are as follovvs:

	31.12.2013		31.12.2012	
	USD	**TL**	**USD**	**TL**
A.On behalf of its own legal entity		198.522		180.845
-TL (*)	115.284	115.284	111.324	111.324
-USD	39.000	83.238	39.000	69.521
B. On behalf of Consolidated subsidiaries				
C.CPM's given on behalf of third parties for ordinary course ofbusiness				
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				
Total		**597.324**		**180.845**

(*)Amoıg the CPM position given TL amounting 115.284 by the Group on behalf of its own legal entity, a mortgage amounting TL 25,000 and TL 20,000 vvas given to ıespectively Türkiye Finans Katılım Bankası A.Ş. and Albaraka Türk Katılım Bankası A.Ş. for bank loans that are alıeady used or vvill be used by Kiler Alışveriş and related parties. In the general cıedit agreement that signed betvveen Kiler Alışveriş and bank, the total limit of loaı is not allocated specifıcally betvveen boırovver parties and the mortgage cannot be allocated for eaclı boırovver.

(**) 'flıe letters of guarantees amounting to TL 398.802 given by the Group on behalf of Doğu Aras, a related pary of the Group, vvas defected after the balance sheet date (note 31 .b)

As at 31.12.2013, the Group's CPM to equity ratio is 206% (31.12.2012: 0%).

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

NOTE 15- EMPLOYEE BENEFIT OBLİGATİONS AND PROVİSİONS

15.a Employee beııefit obligations

	31.12.2013	31.12.2012
Employee benefit obligations		
Payables to personnel	4.883	4.665
Social security deduetions	3.390	3.079
	8.273	**7.744**

15.b Employee termination benefits

Provision for employee termination benefits	**7.708**	**6.572**

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 vvithout 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 vvomen and 60 for men). In addition, under the existing Social Security Law No. 506, clause No. 60, amended by the Labor Lavvs dated 06.03.1981, No. 2422 and 25.08.1999, No. 4447, the Company is also required to pay termination benefits to each employee vvho has eamed 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 3,254.44 as of the related balance sheet date, 31.12.2013 (31.12.2012: TİVyear 3,033.98).

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

In its financial statements the Company refleeted a liability for termination benefits based upon factors derived using their experieııce of personnel terminating their services and beiııg 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 inerease in line with inflation. Tlıus, the discount rate applied represents the expected real rate after adjusting for the anticipated efifects of fiıture inflation. An expected inflation rate and appropriate discount rate should both be determiııed, the net of these being real discount rate. As of 31.12.2013 the liability for employment termination benefits vvas calculated based on an annual real discount rate of 1,96% (31.12.2012: an annual real discount rate of 4.29%) using estimated annual inflation rate of 7,40% and discount rate of 9,50%.

Provision for employee termination benefits movement is listed belovv:

	01.01.- **31.12.2013**	01.01.- **31.12.2012**
Opeııing balance as of 01 January	**6.572**	**5.107**
Current service cost	2.319	**1.373**
Iııterest cost	623	485
Actuarial loss	285	1.205
Payments (-)	(2.091)	(1.598)
Closing balance, 31 December	**7.708**	**6.572**

(Ali amounts in thousands ofTurkish Lira ("TL") unless indicated othervvise.)

NOTE 16-PREPAİD EXPENSES

	31.12.2013	31.12.2012
Short-term prepaid cxpenses		
Prepaid insurance expenses	684	553
Prepaid rent expenses	4.243	4.976
Advances given for business purposes	6.861	7.172
Advances given	12.650	13.515
Advances given to related parties (note 28)	235	745
	24.673	26.961
Provision for advances given(-)	(9.448)	(9.177)
	15.225	**17.784**

Long-term prepaid expenses		
Prepaid expenses	..	1
Prepaid rent expenses	1.716	2.492
	1.716	**2.493**

Tlıe movement ofprovision for advances given is belovv:

	01.01.- 31.12.2013	01.01.- 31.12.2012
Opeıııg balance as of 01 January	**9.177**	**8.070**
Chaı ge for the year	813	1.298
Reversal of unnecessary provisions (-)	(271)	(134)
Advances given vvritteıı-off	(271)	(57)
Closing balance, 31 December	**9.448**	**9.177**

(Ali amounts in thousands ofTurkish Lira ("TL") unless indicated othervvise.)

NOTE 17- OTHER ASSETS AND LİABİLİTİES

	31.12.2013	31.12.2012
Other current assets		
Deposits and guarantees given	750	656
Prepaid taxes and fiınds		798
Other		31
	750	**1.485**

Other current liabilities		
Taxes payable	2.565	2.753
Deposits and guarantees received	45	182
	2.610	**2.935**

NOTE 18 — EQUITY

18.a Share capitai

As of31.12.2013, the composition ofshareholders and their respeetive percentage ovvnership are summaı ized as followvs:

	Sharelıoldiııg percentage (%)		Shareholding amount	
	31.12.2013	31.12.2012	31.12.2013	31.12.2012
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
	100	**100**	**134.620**	**134.620**

The capitai ofthe Company as at 31.12.2013 vvas TL 134,620. Tlıis capitai 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 vvhich comprise of 122,620,000 shares are B group shares.

Approval of Boaıd of Directors is obliged for the transfer of registered A group shares. The Board of Directors can deııy approving transfer of A Group shares vvithout justification. B group registered shares can be transferred in accordance current lavvs and legislation.

Publically offered shares vvhich represent TL 20,193 ofthe total share capitai are registered and do not have any privileges.

hı the extraordiıııary 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 authoı ized capitai of the Company shall be vvorth of TL 500,000 consisting of 500,000,000 shares, TL 1 per each share, and the board of directors are authorized to iıcrease the registered share capitai betvveen the years 2010 and 2014 up to the authorized level vvithin the rules and regulations and of Capital Market La w.

Aeeording to the Company's Main Agreement numbered 6, a group shares are privileged shares. This privileges vvhich 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 riglıt to vote as detailed belovv

(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 a group shareholders in the General Assembly.

(ii) Privilege on voting riglıt of auditors;

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

(//'/) Privilege on voting in the General Assembly meetings;

A group shareholders are entitled to hundred vote for each share and B Group shareholders are eıtitled to oııe vote for each slıare in the company's annual and extraoıdinary general assembly meetings. The provision ofTurkish Commercial Code article 387 is reserved.

The pledges on shares are summarizcd belovv:

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. Aeeording the loan agreement the pledge peıcentage 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 degı ee 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. Aeeording 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 degıee o behalf of the lender for the principal loan amount and any type of accrual in tenns of the interest and expense.

18.b Share premium

The share premium account refeıs the difference betvveen the per value of the company's shares and the amount the company received for ııevvly issued shares. The share premium accounts are diselosed under equity as a separate line item and cannot be distributed. It can be uscd in capital inerease.

	31.12.2013	31.12.2012
Share premium	**66.150**	**66.150**

Items that vvill not be reclassified subsequently to profit or loss are detailed as followvs:

18.c Actuarial gain / loss

Actuarial gain / loss arising from defined benefit plans	**(2.814)**	**(2.594)**

18.d Revaluatioıı gaiıs

Revaluation gains of laııd and buildings	**14.416**	**14.441**

18.e Other gains / losses

	31.12.2013	**31.12.2012**
Increase in value of subsidiaries (according to Bring in Assets to the National Economy Lavv)	**5.156**	**5.156**

18.f Accumulated profit /loss

Legal ıeserves	1.139	1.139
Extraordiııary reserves	11.258	11.258
Previous years' profits (losses)	(11.761)	(18.400)
	636	**(6.003)**

NOTE 19- REVENUE AND COST OF SALES

	01.01.- 31.12.2013	01.01.- **31.12.2012**
Retail and vvlıolesales	888.967	829.788
Other	131.589	120.497
	1.020.556	950.285
Deductions (-)	(6.328)	(6.712)
Revenue	**1.014.228**	**943.573**
Cost of sales (-)	(751.187)	(692.606)
Gross profit	**263.041**	**250.967**

NOTE 20-MARKETING, SELLİNG AND DISTRIBUTION EXPENSES, GENERAL ADMINISTRATIVE EXPENSES

Maı keting, selling and distribution expenses	185.333	179.486
General administrative expenses	35.829	37.790
	221.162	**217.276**

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NOTE 21 -OPERATİNG EXPENSES BREAKDOWN

	01.01.-31.12.2013	01.01.-31.12.2012
Marketiııg, selling and distributioıı expeıises		
Personnel expenses	80.026	75.495
Office expenses	25.780	22.697
Advertisement expenses	8.837	10.957
Reııt expeıises	44.861	42.049
Repair and maintenance expenses	4.809	5.081
Packaging expenses	437	409
Security expenses	517	908
Communication expenses	226	242
Fuel oil expenses	3.253	2.756
Insurance expenses	1.071	754
Tax expenses	1.303	1.498
Bank expense	454	856
Depreciation and amortization expense	8.703	9.486
Travelling expenses	2.847	3.647
Other	2.209	2.651
	185.333	**179.486**

General administrative expeıises		
Personnel expenses	8.752	7.594
Travelling expenses	506	532
Consulting expenses	1.249	2.758
Office expenses	2.244	3.771
Rent expenses	534	1.006
Motor vehicle expenses	5.684	5.840
Insurance expenses	803	646
Repair and maintenance expenses	601	692
Communication expenses	993	999
Tax expenses	1.647	1.238
Provision for seveıance pay	2.319	1.373
Provision for doubtful receivables	968	1.689
Depreciation and amortization expense	8.927	8.803
Other	602	849
	35.829	**37.790**

(Ali amounts in thousands ofTurkish Lira ("TL") unless indicated othervvise.)

NOTE 22 - OTHER OPERATİNG INCOME AND EXPENSE

	01.01.- 31.12.2013	01.01.- 31.12.2012
Other operating income		
Foreign exclıaıığe gains resulting from trading	5	–
Financing income resulting from trading	2.350	442
insurance claim income	786	808
Other income	157	939
	3.298	**2.189**
Other operating expense		
Foreign exchange loss resulting from trading	630	-
Term differeııce expenses arising	12.384	5.648
Stock count differences	14.644	-
Lavvsuit expenses	2.741	2.591
Loss on penalties and claims	322	563
Donation expenses	72	74
Other expense	504	269
	31.297	**9.145**

NOTE 23 - INCOME AND EXPENSES FROM INVESTMENT ACTİVİTİES

Iııcome from investment activities		
Increase in net realizable value of investment properties	8.972	5.824
İncome from sales of property, plant and equipment	539	86
	9.511	**5.910**
Expeııses from investment activities		
impaimıent loss on goodvvill	2.476	583
Loss from sales of property, plant and equipment	316	56
	2.792	**639**

NOTE 24 - FINANCIAL INCOME

Interest income from related parties	4.419	11.592
Foreign exchange gains	6.036	12.727
Other	13	4
	10.468	**24.323**

(Ali amounts in thousands ofTurkish Lira ("TL") unless indicated othervvise.)

NOTE 25- FINANCIAL EXPENSES

	01.01.- **31.12.2013**	01.01.- **31.12.2012**
Interest and commission expenses	29.641	37.352
Foreign exchange losses	25.663	7.386
Other	2.249	2.112
	57.553	**46.850**

NOTE 26 — TAX ASSETS AND LİABİLİTİES (INCLUDING DEFERRED I AX)

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

The Corporation tax is applied on the total income of the Company after adjusting for ceıtain disallovvable expenses. No ftırther tax is payable unless the profit is distributed. If the vvhole or a part of profit is distributed to:

İndividuals;
Individuals and companies excepted or exempted from income and Corporation taxes or;
Non residents companies and individuals,

It is subject to 15% vvithholding tax. An increase in capitai via issuing bonus shares is not coıısidered as a profit distributioıı and no vvithholding tax is applied.

Corporations are required to pay advance corporatioıı tax quarterly at the rate of 20% on their corporate income. Advance tax is payable by the 17th of the second montlı follovvingeach calendar quarter end. Advance tax paid by corporations is credited against the annual corpoıation tax liability.

75% of income from the sale of participation shares and property, vvhich vvere lıeld for at least tvvo years, to be added to share capitai are exempt from corpoıation tax provided that the transfer of tlıis income to share capitai takes place as provided in the Corporation Tax Lavv.

In Turkey, there is no proceduıe for a final and definitive agreement on tax assessmeııts. Companies file their tax retunıs vvithin the 25th of the fourth montlı follovving the close of the financial year to vvhich they relate. Tax retunıs are open for 5 years from the beginniıg of the year that follovvs the date of filing, during vvhich time the tax autlıorities have the right to audit tax retunıs, and the related accounting records on vvhich they are based, and may issue re-assessments based on their findiıgs.

Tlıe computatioıı of the statutory taxes for pcriods 31.12.2013 aıd 31.12.2012 is as follovvs:

	31.12.2013	**31.12.2012**
Financial positioıı		
Current year corporate tax provision	~	293
Prepaid taxes (-)	-	(293)

(Ali amounts in thousands ofTurkish Lira ("TL") unless indicated otherwise.)

	01.01.- 31.12.2013	01.01.- 31.12.2012
income statement		
Current year tax expense	-	(293)
Defeıred tax income (expense)	992	(2.673)
Total tax income (expense)	**992**	**(2.966)**

b) Deferred Tax

The Group reeognizes 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 differeııt reporting periods for IAS and tax puıposes.

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

	Total temporary diffcrences		Deferred tax	
	31.12.2013	**31.12.2012**	**31.12.2013**	**31.12.2012**
Unearned interest on receivables	102	498	20	100
Provision for employee termination benefits	7.708	6.572	1.542	1.314
Provision for doubtful receivables	11.814	11.490	2.363	2.298
inventories	6.156	2.035	1.231	407
Cancellatioıı of capitalized interest expense	3.053	5.634	611	1.126
Lavvsuit provision	9.551	9.743	1.910	1.949
Taxable loss carried forward	32.164	20.265	6.433	4.053
Confirmation differences	1.325	1.201	265	240
Other	405	288	80	58
Unearned interest on payables	(2.978)	(1.858)	(596)	(371)
Revaluation difference on land and buildings	(35.889)	(27.363)	(7.178)	(5.473)
Difference on depreciation and amortization	(50.579)	(50.462)	(10.115)	(10.092)
Other	–	(459)	–	(92)
Deferred tax asset			14.455	11.545
Defeıred tax liability			(17.889)	(16.028)
Deferred tax asset (liability), net			**(3.434)**	**(4.483)**

(Ali amounts in thousands ofTurkish Lira ("TL") unless indieated othervvise.)

Recoııciliation of deferred tax as follovvs:

	01.01.- 31.12.2013	**01.01.- 31.12.2012**
Deferred tax asset (liability), net current year	(3.434)	(4.483)
Defeıred tax asset liability, net beginning of the year (-)	4.483	727
	1.049	**(3.756)**
Defeıred tax income (expense)	992	(2.673)
Defeıred tax on revaluation fiınd	57	(1.083)
	1.049	**(3.756)**

The tax expense from the Consolidated financial statements belonging to the accounting periods are as seen belovv:

Profit (loss) before taxation	(26.486)	9.479
Tax expense (income) expected as a result of the main partnership tax rate (20%)	5.297	(1.896)
Group's expected tax expense/(income)	**5.297**	**(1.896)**
Effect of tax disallovvcd expeıises	(5.049)	(362)
Tax effect of other income exeııpt from tax	775	
Effect of statutory period loss	(2.380)	(2.389)
Taxable loss	2.349	1.681
Group's expected tax income(expense)	**992**	**(2.966)**

NOTE 27 - EARN1NGS PER SHARE

Net profit/(loss) for the year	(25.494)	6.513
Non-controlling interest's net loss for the year	173	101
Net profit (loss) attributable to shareholders	**(25.321)**	**6.614**
Weighted average number of outstanding ordinary shares	134.620.000	134.620.000
Earnings per share, TLfull	**(0,188092)**	**0,049131**

(Ali amounts in thousands ofTurkish Lira ("TL") unless indicated other\vise.)

NOTE 28 - RELATED PARTİES DISCLOSURES

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

a) Trade receivables from related parties:	**31.12.2013**	**31.12.2012**
Denge Reklam Turizm inşaat Emlak Gıda Elektrik Elektronik Sanayi ve Ticaret Limited Şirketi	108	27.475
KBC Gıda Sanayi ve Ticaret Limited Şirketi	1.378	2.087
Sese Et Ürünleri ve Gıda Sanayi Ticaret Limited Şirketi	7	160
Beyaz Çınar Yapı İnşaat Emlak Yönetim Hizmetleri Limited Şirketi	346	
Other	21	43
	1.860	29.765
Uneanıed interest on receivables (-)	(33)	(481)
	1.827	**29.284**

b) Trade payables to related parties:		
Current accounts:		
KBC Gıda Sanayi Ticaret Limited Şirketi	172	2.503
Bağcı Sebze Meyve Tarım Ürünleri ve Su Ürünleri Hayvancılık Soğuk Hava Depoculuğu Ticaret Anonim Şirketi	619	616
Kiler Gayrimenkul Yatırım Ortaklığı Anonim Şirketi	1.854	288
Other	1.470	736
Notes payable:		
Ümit Kiler Sebze Meyve Komisyoncusu	1.401	1.221
	5.516	5.364
Uneanıed interest on payables (-)	(73)	(33)
	5.443	**5.331**

(Ali amounts in thousands ofTurkish Lira ("TL") unless indicated othervvise.)

c) Other receivables from related parties	31.12.2013	31.12.2012
Kiler Holding Anonim Şirketi	7.012	28.355
Doğu Aras Enerji Yatırımları Anonim Şirketi	32.859	-
Ümit Kiler	3.003	26.620
Nahit Kiler	1.325	20.706
Vahit Kiler	608	814
Tureks Turizm Taşımacılık İnşaat Akaryakıt İstasyon Temizlik Hizmetleri İşletmeciliği Ticaret ve Sanayi Anonim Şirketi	-	701
Other	342	551
	45.149	**77.747**

d) Other payables to related parties

Ümit Kiler	1.020	418
Kiler Holding Anonim Şirketi	2.168	50
Kir Elektrik Enerjisi Toptan Satış Anonim Şirketi	782	-
Kütahya Şeker Fabrikası Anonim Şirketi	–	162
	3.970	**630**

e) Advances to related parties

Kütahya Şeker Fabrikası Anonim Şirketi		225
Ümit Kiler Sebze Meyve Komisyoncusu	221	512
Tureks Turizm Taşımacılık İnşaat Akaryakıt İstasyon Temizlik Hizmetleri İşletmeciliği Ticaret ve Sanayi Anonim Şirketi	14	8
	235	**745**

1) income from related parties	01.01.- 31.12.2013	01.01.- 31.12.2012
Denge Reklam Turizm İnşaat Emlak Gıda Elektrik Elektronik Sanayi ve Ticaret Limited Şirketi	1	34.826
Kiler Holding Anonim Şirketi	4.610	9.166
Ümit Kiler	1.530	2.027
Nahit Kiler	781	1.746
Biskon Yapı Anonim Şirketi	41.391	83
Doğu Aras Enerji Yatırımları Anonim Şirketi	3.950	-
KBC Gıda Sanayi Ticaret Limited Şirketi	277	512
Kir inşaat Ticaret Limited Şirketi	150	164
Other	401	694
	53.091	**49.218**

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g) Expenses to ı clated parties

Denge Reklam Turizm İnşaat Gıda Elektrik Sanayi Limited Şirketi	1.738	31.543
KBC Gıda Sanayi Ticaret Limited Şirketi	12.056	12.192
Ümit Kiler Sebze Meyve Komisyoncusu	6.787	10.044
Kiler Holding Anonim Şirketi	3.281	4.507
Kiler Gayrimenkul Yatırını Ortaklığı Anonim Şirketi	3.788	3.609
Biskon Yapı Anonim Şirketi	42.074	99
Kir İnşaat Ticaret Limited Şirketi	932	3.337
Tureks Turizm Taşımacılık İnşaat Akaryakıt İstasyon Temizlik Hizmetleri İşletmeciliği Ticaret ve Sanayi Anonim Şirketi	234	1.791
Other	1.447	2.204
	72.337	**69.326**

lı) Renıuneration of the management

The total renıuneration of the clıairman, the members of Board and the top management, amounted to TL 294 for the year ended 31.12.2012 (01.01 -31.12.2012: TL 293).

(Ali amounts in thousands ofTurkish Lira ("TL") unless indicated otherwise.)

NOTE 29 - FINANCIAL INSTRUMENTS RISKS CHARACTERISTICS AND NATURE

Financial instruments

Financial risk management policies

'Hıe Company ainıs to overcome the potential negative effects of fluctuations in the market by tlıe risk management program and focuses on managingthe various financial risks of foreign exchange rates and interest rates.

lnterest rate risk

İnterest rate risk arises beeause changes in interest rates may affect profıtability as disclosed in the financial statements.

'Hıe Company's interest rate position and sensitivity analysis are shown belovv as of31.12.2013 and 31.12.2012:

	31.12.2013	31.12.2012
Financial instrument \vitlı fixed interest rate:		
Financial assets - time deposits		
Financial liabilities	211.012	212.962
Financial instrument \vith variable interest rate:		
Financial assets - held for tıading		
Financial liabilities	53.445	78.725

As of balance sheet dates, the Group's annual elfective interest rates are as follows:

2013 (%)	**USD**	**EURO**	**TL**
Assets			
Trade receivables			%9,08
Liabilities			
Financial liabilities	%5,34	%3,60	% 12,06
Trade payables			%8,98

2012 (%)	**USD**	**EURO**	**TL**
Assets			
Trade receivables			%6,01
Liabilities			
Financial liabilities	%6,17	%7,80	%16,15
Trade payables			%5,82

On basis of the above an increase of **1%** the foreign exchange rates against theTurkish Lira as of31.12.2013 will amount to a loss ofTL 224 (2012: TL 596) and a decrease will amount to profit of the same amount.

Credit risk

The Company is exposed to credit risk arisiıg from trade receivables, other receivables and deposits with banks.

Being an owner of the financial assets conveys the risk of non-obeying the contract of the other paıty.
Ilıe main risks arising from the Company's financial instruments are interest rate risk, liquidity risk, foreign currency risk and credit risk. Tlıe management revievvs and agıees policies for managing each of these risks and they are summarized below.

(Ali amounts in thousands ofTurkish Lira ("TL") unless indicated othervvise.)

Exposure to credit risks with financial instruments is shovvn below:

	Receivables					
	Trade receivables		**Other rcccivablcs**			
31.12.2013	**Related parties**	**Third Parties**	**Related parties**	**Third Partics**	**Bank deposits**	**Othcr**
- Secured portion of maximum credit risk with collateral						
A. Carrying amount of financial asscts that are not overdue and not impaired	1.827	1.874	45.149	1.945	2.082	
B. Carrying amount of financial assets vvhose terms were rcnegotiated, otherwise are overdue and impaired						
C. Carrying amount of assets that are overdue but not impaired						
D. Carrying amount of assets that are impaired						
- Overdue (gross carrying amount)		651		2.413		
- Impairment (-)		(651)		(2.413)		
E. Credit risk issues out of balance sheet						
Maximum cxposurc to crcdit risk as of 31.12.2013 (A+B+C+D+E)	**1.827**	**1.874**	**45.149**	**1.945**	**2.082**	

	Receivables					
	Trade receivables		**Other receivables**			
31.12.2012	**Related paılies**	**Third Parties**	**Related partics**	**Third Parties**	**Bank deposits**	**Other**
- Secured poılion of maximum credit risk with collateral						
A. Carrying amount of financial assets that are not overdue and not impaired	29.284	3.062	77.747	1.564	1.236	
B. Carrying amount of financial assets vvhose terms were renegotiated, othervvise are overdue and impaired						
C. Carrying amount of assets that are overdue but not impaired		21				
D. Carrying amount of assets that are impaired						
- Overdue (gross carrying amount)		648		2.364		
- Impairment (-)		(648)		(2.364)		
E. Credit risk issues out of balance sheet						
Maximum exposure to credit risk as of 31.122012 (A+B+C+IHE)	**29.284**	**3.083**	**77.747**	**1.564**	**1.236**	

While measuring the maximum credit risk exposed, guarantees vvhich increase the credibility of the company are not taken into consideration.

(Ali amounts in thousands ofTurkish Lira ("TL") unless indicated othervvise.)

a. Cıedit quality of fınancial assets vvhich are not overdue and not impaired and receivables vvhich are re-negotiated

	31.12.2013	31.12.2012
Group 1	85	45
Group 2	3.616	32.301
Group 3		
	3.701	**32.346**

Group 1 - Nevv customers (customers for a period less than tlıree months).
Group 2 - Existing customers vvith no defaults in the past (customers for a period of more than tlıree moııtlıs).
Group 3 - Existing customers vvith some defaults in the past of vvhich vvere fully recovered.

b. Aging analysis of the receivables vvhich are overdue but not impaired

Up to 3 months	—	**21**

c. Geograplıical concentration of the trade receivables

	31.12.2013	31.12.2012
Turkey	**3.701**	**32.367**

Liquidity risk
Tlıe Company manages its liquidity needs by carefully monitoring scheduled debt servicing payments for long-ternı financial liabilities as vvell as cash-outflovvs due in day-to-day business.

The breakdovvıı of liabilities according to their contı actual maturity is based on the maturity dates from the date of the balance sheet is given belovv:

31.12.2013

Contı actual maturities	Book value	Total cash out flovv	Within 3 months	3 to 12 months	1 to 5 years	Över 5 years
Bank boırovviııgs	264.457	275.891	83.596	169.910	22.385	
Trade payables	229.583	232.560	216.813	15.747	–	
Other payables	9.706	9.706	7.668	2.038	–	–
Noıı derivative fınancial liabilities	**503.746**	**518.157**	**308.077**	**187.695**	**22.385**	.

31.12.2012

Contı actual maturities	Book value	Total cash out flovv	Within 3 moııths	3 to 12 months	1 to 5 years	Över 5 years
Bank borrovvings	291.687	313.164	61.694	187.793	63.677	
Trade payables	209.358	211.216	191.078	19.457	681	
Other payables	26.878	26.878	4.218	16.972	5.688	–
Noıı derivative fınancial liabilities	**527.923**	**551.258**	**256.990**	**224.222**	**70.046**	.

(Ali amounts in thousands ofTurkish Lira ("TL") unless indicated othervvise.)

Foreign cıtrrency risk

The Group is exposed to foreign exchange risk througlı the impact of rate changes at the traııslation of USD and EUR denominated assets and liabilities to Turkish Lira .The net currency position ofthe Company as ofthe balance sheet dates are slıovvn belovv:

	31.12.2013	31.12.2012
Assets	32.883	74
Liabilities	(133.194)	(130.414)
Net Foreign Currency	**(100.311)**	**(130.340)**

31.12.2013	**ABDS**	**EURO**	**GBP**	**TL Karşılığı**
1. Trade receivables				
2a. Monetary fınancial assets (including cash and bank account)	3	7	1	30
2b. Non-moııetary fınancial assets	~		.	.
3. Other	15.393		.	32.853
4. Current assets (1+2+3)	**15.396**	7	**1**	**32.883**
5. Trade receivables	–	–	–	–
6a. Monetary financial assets		–	–	.
6b. Non-moııetary fınancial assets	.	.	–	–
7. Other	–	–	–	–
8. Non-currcııt assets (5+6+7)	–	–	–	–
9. Total assets (4+8)	**15.396**	7	**1**	**32.883**
10. Trade payables	–	–	–	–
11. Financial liabilities	52.925	42	–	113.081
12a. Other monetary liabilities	1.016	–	–	2.168
12b. Other non-moııetary liabilities		.	.	..
13. Short ternı liabilities (10+11+12)	**53.941**	**42**	–	**115.249**
14. Trade payables	–	.		
15. Financial liabilities	8.408	–	–	17.945
16a. Other monetary liabilities			.	.
16b. Other non-moııetary liabilities		.	.	.
17. Loııg ternı liabilities (14+15+16)	**8.408**	.	.	**17.945**
18. Total liabilities (13+17)	**62.349**	**42**	–	**133.194**
19. OtTbalance sheet derivative instruments/net assets (liabilities) position (19a-19b)	–	.		.
19a. Total asset amount ofhedge	.	.		.
19b. Total liabilities amount ofhedge	.		~	.
20. Net foreign currency position (9-18+19)	**(46.953)**	**(35)**	**1**	**(100.311)**
21. Monetary net foreign currency position / (UFRS 7.B23) (=l+2a+5+<ia-10-l l-12a-14-15-16a)	**(62.346)**	**(35)**	**1**	**(133.164)**
22. Total fair value of financial instruments for hedge	–	.	.	.
23. Exports	.	.		
24. İmports	.	.	.	.

(Ali amounts in thousands ofTurkish Lira ("TL") unless indicated othervvise.)

31.12.2012	USD	EURO	GBP	TL Karşılığı
I. Trade receivables				
2a. Monetary financial assets (including cash and bank account)	**20**	15	1	**74**
2b. Non-monetary financial assets				
3. Other				
4. Cuırent assets (1+2+3)	**20**	**15**	**1**	**74**
5. Trade receivables				
6a. Monetary financial assets				
6b. Non-monetary financial assets				
7. Other				
8. Non-current assets (5+6+7)				
9. Total assets (4+8)	**20**	**15**	**1**	**74**
10. Trade payables				
II. Financial liabilities	44.333	99	--	79.261
12a. Other monetary liabilities				
12b. Other non-monetary liabilities				
13. Short ternı liabilities (10+11+12)	**44.333**	**99**	**-**	**79.261**
14. Trade payables				
15. Financial liabilities	28.696	--	--	51.153
16a. Other monetary liabilities				
16b. Other non-monetary liabilities				
17. Long term liabilities (14+15+16)	**28.696**	**-**	**-**	**51.153**
18. Total liabilities (13+17)	**73.029**	**99**	**-**	**130.414**
19. Off balance sheet derivative instruments/net assets (liabilities) position (19a-19b)				
19a. Total asset amount ofhedge				
19b. Total liabilities amount ofhedge				
20. Net foreign currency position (9-18+19)	**(73.009)**	**(84)**	**1**	**(130.340)**
21. Monetary net foreign currency position / (UFRS 7.B23) (=l+2a+5+6a-10-l 1-12a-14-15-16a)	**(73.009)**	**(84)**	**1**	**(130.340)**
22. Total fair value of financial instruments for hedge				
23. Exports				
24. Imports				

(Ali amounts in thousands ofTurkish Lira ("TL") unless indicated othervvise.)

Foreign currency sensitivity analyses are as folIows:

	Profit / Loss		Equity	
31.12.2013	**Foreign eschange appreciation**	**Foreign exchange depreciation**	**Foreign cxchange appreciation**	**Foreign exchange depreciation**
+/-10% fluctuation of USD ratc:				
1 - USD net asset / liability	(10.021)	10.021	(10.021)	10.021
2- Secured portioıı lrom USD risk (-)	-		-	-
3- USD net effect (1+2)	**(10.021)**	**10.021**	**(10.021)**	**10.021**
+/- 10% fluctuation of EUR rate:				
4-EUR net asset/ liability	(10)	10	(10)	10
5-Secured portion from EUR risk (-)	-	-	-	-
6- EURO net effect (4+5)	**(10)**	**10**	**(10)**	**10**
Total effect (3+6)	**(10.031)**	**10.031**	**(10.031)**	**10.031**

	Profit/ Loss		Equity	
31.12.2012	**Yabancı paranın değer kazanması**	**Yabancı paranın değer kaybetmesi**	**Yabancı paranın değer kazanması**	**Yabancı paranın değer kaybetmesi**
+/- 10% fluctuation of USD rate:				
1 - USD net asset / liability	(13.015)	13.015	(13.015)	13.015
2- Secured portion from USD risk (-)	-	-	-	-
3- USD net effect (1+2)	**(13.015)**	**13.015**	**(13.015)**	**13.015**
+/- 10% fluctuation of EUR rate:				
4-EUR net asset/ liability	(20)	20	(20)	20
5-Secured portion from EUR risk (-)	-	-	-	-
6- EURO net effect (4+5)	**(20)**	**20**	**(20)**	**20**
Total effect (3+6)	**(13.035)**	**13.035**	**(13.035)**	**13.035**

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Capital Risk Management
Tlıe Company aims at the most productive use of the balance betvveen debt and ecjuity vvith a vievv to increasing its profitability vvlıilst at the same time concentrating on increasing the contiıuuity of its operatioııs.

The risks associated vvith each source of capitai together vvith the cost of capitai are evaluated by the management of the Company. On basis of its evaluation, the management aims at balancing the capitai structure of the Company through procurement of nevv debt or repayment of existing debt as vvell as giviııg consideration to payment of dividends or raising fresh capitai through issue of nevv shares.

Tlıe Group's capitai to overall or financing ratio developed as follovvs:

	31.12.2013	31.12.2012
Total liabilities (note 6)	264.457	291.687
Cash and cash equivalents (note 4)	(36.360)	(43.016)
Net debt	**228.097**	**248.671**
Equity		
	193.125	218.847
Total share capitai		
	421.222	**467.518**
Ratio net debt/equity		
Total liabilities (note 5)	**0,54**	**0,53**

NOTE 30- FINANCIAL ASSET

Fair value of financial instruments

Fair value is the amount at vvhich a financial instrument could be exchanged in a current transaction betvveen vvilling parties, other than in a forced sale or liquidation, and is best evidenced by a quoted market price, if one exists.

Tlıe estiıııated fair values of financial instruments Iıave been determined by the Group using available market information, managemeııt's judgmeııt and appıopriate valuation ıııethodologies. To the extent relevant and reliable information is available from the financial markets in Turkey; the fair value of the financial instruments of the Group is based on suclı market data. Tlıe fair values of the remaining financial instruments of the Group can oııly be estiıııated. The estimates presented herein are not necessarily indicative of the amounts the Group could realize in a current market exchange.

Tlıe follovving methods and assumptions vvere used to estimate the fair value of the Group's financial instruments:

Monetary assets
Tlıe foreign exchange type of the exchaııge ıates of the reasoııable value of the balances at the end of the period is predicted as close to the recorded values.

The recorded values of the financial assets slıovvn as cash and values similar to cash, are short temi and are therefore predicted as equal to reasonable value. The recorded values of the trade receivables, in relation to the value decrease are predicted to reflect the reasonable value.

The reasonable value of the financial assets is accepted to come close to the related recorded values

(Ali amounts in thousands ofTurkish Lira ("TL") unless indieated othervvise.)

Financial liabilities
Trade payables and other monetary liabilities are considered to approximate their respective carrying values due to their short-term nature.

The bank borrovvings are stated at their amortized costs and transaction costs are included in the initial measurement of loans and bank borrovvings. The fair value of bank borrovvings are considered to state their respective carrying values since the interest rate applied to bank loans and borrovvings are updated periodically by the lender to reflect active market price quotations.

The caırying value of trade payables along vvith the related allovvance for unrealized cost is estimated to be their fair values.

The financial liabilities vvhich are denominated in foreign currencies are evaluated by the foreign exchange rates prevailing on the date of balance sheet.

Fair value hierarchy table
The group classifies the fair value measurement of each class of financial instruments aeeording to the source, using the three level hierarchy, as follovvs

Level 1: Market price valuation teclıniques for the deteımined financial instruments traded in markets (unadjusted)
Level 2: Other valuation techniques ineludes direct or indirect observable inputs
Level 3: Valuation techıiiques does not contains observable market inputs

Fair value hierarchy table as at December 31,2013 is as follovvs:

Financial assets at fair value tlırouglı financial position	Level 1	Level 2	I^evel 3
investment Property (note 10)	-	--	65.851
Land (note 11)	-	-	40.959
Buildings (note 11)	-	-	12.472

Fair value hierarchy table as at December 31,2012 is as follovvs:

Financial assets at fair value through financial position	Level 1	Level 2	Level 3
investment Property (note 10)			58.241
Land (note 11)			40.959
Buildings (note 11)			12.743

NOTE 31 - POST BALANCE SHEET EVENTS

a.The number of 9.738.436 A group Kiler Alışveriş's pledged shares and the number of 79.110.764 B group pledged slıares on be lıalf of Akbaıık, totally 88.849.200 number of shares 66% of the total capital, was defected on 17.02.2014.

b. As of 31.12.2013, 51% of Doğu Aras's shares, subsidiary of Kiler Alışveriş, vvas transferred to Kiler Holding A.Ş. Regarding share transferred, collaterals given for the loans obtaiıed by Doğu Aras amounting to USD 140 million and TL 100 million were defected on 16.01.2014.

c. Kiler Alışveriş signed Common Tenns Agreement amounting to USD 120 million in the leaderslıip of Bank of America Merrill Lynch and with participation of leading Gulf baıks on 23.01.2014. This agreement contains botlı murabaha and trade fınance structure. In the scope of this agreement, the loan is used via Fibabank as of 18.02.2014.

This fınance will be used as company capital to convert short term loans to long temi loans and to achieve growth targets. Annual borrovving rate of the 4 year temi collateralized financial package is one-month Libor+4,5. Group partners gave 51% shares of Kiler Alışveriş vvas pledged in respect of the loan. Also laııd located in Kavacık and Esenyurt parts 8, 9, 14, 15, 17, 18 and 19 amounting to USD 40 million and USD 80 million, respectively, were given to Fibabank as 2. degree mortgage.