KİLER ALIŞVERİŞ HİZMETLERİ GIDA SANAYİ VE TİCARET A.Ş. CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED 01.01. – 31.12.2010 TOGETHER WITH AUDITOR'S REPORT

KİLER ALIŞVERİŞ HİZMETLERİ GIDA SANAYİ VE TİCARET A.Ş.
INDEPENDENT AUDITOR'S REPORT
AS OF AND FOR THE YEAR ENDED 01.01.-31.12.2010

To the shareholders of
Kiler Alışveriş Hizmetleri Gıda Sanayi ve Ticaret A.Ş.

1. We have audited the consolidated financial statements of Kiler Alışveriş Hizmetleri Gıda Sanayi ve Ticaret A.Ş. and its subsidiaries (together "the group"), which comprise the consolidated balance sheets as of and for the years ended 31 December 2010 and 2009 the consolidated statements of comprehensive income, the statements of changes in equity and the cash flow statements for the years ended 31 December 2010 and 2009 a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

2. Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the Capital Market Board. This responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

   Our audit involves performing procedures 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 financial statements, whether due to fraud and/or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial 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 controls. 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 financial statements.

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

Opinion

5. In our opinion, the accompanying consolidated financial statements present fairly, in all material respects; the financial position of Kiler Alışveriş Hizmetleri Gıda Sanayi ve Ticaret A.Ş as of 31 December 2010 and 2009, and of its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

ENGİN Bağımsız Denetim ve Serbest Muhasebecilik Mali Müşavirlik A.Ş.
Member Firm of GRANT THORNTON International

Ajda Düzgün
Partner

Istanbul, 08.04.2011

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KİLER ALIŞVERİŞ HİZMETLERİ A.Ş.

CONSOLIDATED BALANCE SHEETS AS OF 31.12.2010 AND 2009

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

	Notes	Audited 31.12.2010	Audited 31.12.2009
ASSETS			
Current Assets		**355,180**	**274,825**
Cash and cash equivalents	6	36,539	33,662
Financial investments	7	--	--
Trade Receivables			
- Trade receivables from related parties	10 - 37	9,132	5,524
- Trade receivables from third parties	10	2,248	3,401
Receivables from finance sector operations	12	--	--
Other receivables			
- Other receivables from related parties	11 - 37	89,980	50,638
- Other receivables from third parties	11	1,117	858
Inventories	13	204,162	161,073
Live assets	14	--	--
Other current assets	26	12,002	19,669
(Subtotal)		355,180	274,825
Assets held for sale and discontinued operations	34	--	--
Long-term Assets		**247,456**	**234,128**
Trade receivables	10	--	--
Receivables from finance sector operations	12	--	--
Other receivables	11	--	--
Financial investments	7	54	54
Investment accounted for using the equity method	16	--	--
Live assets	14	--	--
Investment properties	17	49,184	23,240
Property, plant and equipment	18	133,.236	145,681
Intangible assets	19	497	435
Goodwill	20	43,652	43,652
Deferred tax asset	35	10,254	9,340
Other assets	26	10,579	11,726
TOTAL ASSETS		**602,636**	**508,953**

The accompanying notes from an integral part of these financial statements.

KİLER ALIŞVERİŞ HİZMETLERİ A.Ş.
CONSOLIDATED BALANCE SHEETS AS OF 31.12.2010 AND 2009
(All amounts in thousands of Turkish Lira (TL) unless indicated otherwise.)

	Notes	Audited 31.12.2010	Audited 31.12.2009
LIABILITIES			
Short-term liabilities		**316,083**	**305,556**
Financial liabilities	8	130,741	90,028
Other financial liabilities	9	--	2,806
Trade payables			
- Trade payables to related parties	10 - 37	4,738	15,411
- Trade payables to third parties	10	140,653	142,304
Other payables			
- Other payables to related parties	11 - 37	21,575	41,190
- Other payables to third parties	11	4,446	3,146
Payables from finance sector operations	12	--	--
Government grants	21	--	--
Taxation on income	35	109	919
Provisions for payables	22	7,869	5,435
Other current liabilities	26	5,952	4,317
(Subtotal)		316,083	305,556
Liabilities directly associated with the assets classified as held for sale	34	--	--
Long-term liabilities		**133,384**	**65,018**
Financial liabilities	8	109,025	46,793
Other financial liabilities	9	--	--
Trade payables	10	8,275	5,357
Other payables	11	--	--
Payables from finance sector operations	12	--	--
Government grants	21	--	--
Provisions for payables	22	--	--
Provision for employee termination benefits	24	3,849	2,568
Deferred tax liabilities	35	12,235	10,300
Other liabilities	26	--	--
EQUITY		**153,169**	**138,379**
Company shareholders' equity	27	**140,275**	**125,591**
Share capital		121,120	101,200
Investment and share capital eliminating adjustments (-)		--	--
Positive distinction from share capital adjustment		--	--
Premium in access of par		--	--
Revaluation fund		13,811	28,931
Foreign currency translation differences		--	--
Legal reserves		12,162	12,039
General Reserves		(16,702)	(24,541)
Net profit/loss for the year		9,884	7,962
Minority interest		12,894	12,788
TOTAL LIABILITIES		**602,636**	**508,953**

The accompanying notes from an integral part of these financial statements.

KİLER ALIŞVERİŞ HİZMETLERİ A.Ş.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR PERIODS
01.01.-31.12.2010 AND 01.01.-31.12.2009
(All amounts in thousands of Turkish Lira (TL) unless indicated otherwise.)

	Notes	Audited 01.01.- 31.12.2010	Audited 01.01.- 31.12.2009
CONTINUING OPERATIONS			
Sales	28	771,218	770,076
Cost of sales (-)	28	(554,047)	(567,820)
GROSS PROFIT / (LOSS)		**217,171**	**202,256**
Marketing, selling and distribution expenses (-)	29	(139,519)	(129,547)
General administrative expenses (-)	29	(37,377)	(25,171)
Research and development expenses (-)		--	--
Income from other operations	31	4,562	2,532
Expense from other operations (-)	31	(7,715)	(7,285)
OPERATING INCOME / (LOSS)		**37,122**	**42,785**
Equity income / (loss) from investments in associates		--	--
Financial income	32	27,197	13,112
Financial expenses (-)	33	(50,592)	(38,740)
PROFIT / (LOSS) BEFORE TAX FROM CONTINUING OPERATIONS		**13,727**	**17,157**
Tax income / (expense) from continuing operations		**(3,737)**	**(7,647)**
- Taxation on income	35	(2,716)	(1,371)
- Deferred tax income / (expense)	35	(1,021)	(6,276)
PROFIT / (LOSS) FROM CONTINUING OPERATIONS		**9,990**	**9,510**
DISCONTINUED OPERATIONS		--	--
Profit / loss from discontinued operations (net of income tax)		--	--
PROFIT FOR THE YEAR		**9,990**	**9,510**
Other comprehensive income:			
Changes in fair value on available for sale securities		--	--
Changes in fair value of land and buildings		--	10,819
Changes in fair value of Financial Risk Hedging		--	--
Changes in differences of foreign currency translation		--	--
Actuarial Gains and Losses of the Pension Plans		--	--
Other Comprehensive Income from investments in associates		--	--
Tax Income / (Expense) from Other Comprehensive Operations		--	(2,164)
OTHER COMPREHENSIVE INCOME FOR THE YEAR (NET OF TAX)		--	8,655
TOTAL COMPREHENSIVE INCOME / (LOSS)		9,990	18,165
Distribution of Profit / (Loss)			
Minority interests		106	1,548
Equity holders of the Company		9,884	7,962
Distribution of Comprehensive Income / (Loss)			
Minority interests		106	1,548
Equity holders of the Company		9,884	16,617
Earnings Per Share	36	0.0819	0.0008
Earnings Per Share From Continuing Operations	36	0.0819	0.0008

The accompanying notes from an integral part of these financial statements.

KİLER ALIŞVERİŞ HİZMETLERİ A.Ş.
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY FOR YEARS ENDED 31.12.2010 AND 2009
(All amounts in thousands of Turkish Lira (TL) unless indicated otherwise.)

	Share Capital	Equity Restatement Differences	Revaluation Fund	Legal Reserves	General Reserves	Net Profit (Loss) For The Year	Minority Interest	Total Shareholders' Equity
Balance at 31.12.2008	**96,830**	**--**	**--**	**12,000**	**841**	**(25,343)**	**1,223**	**85,551**
Transfer to reserves	--	--	--	--	(25,343)	25,343	--	--
Capital increases	3,370	--	--	--	--	--	4,770	8,140
Equity injections from shareholders	--	--	21,276	--	--	--	5,247	26,523
Share capital increase from equity injections from shareholders (Note 27)	1,000	--	(1,000)	--	--	--	--	--
Increase in fair value of land and buildings (Note 18)	--	--	8,655	--	--	--	--	8,655
Transfer to legal reserves	--	--	--	39	(39)	--	--	--
Net profit for the year	--	--	--	--	--	7,962	1,548	9,510
Balance at 31.12.2009	**101,200**	**--**	**28,931**	**12,039**	**(24,541)**	**7,962**	**12,788**	**138,379**
Transfer to reserves	--	--	--	--	7,962	(7,962)	--	--
Capital increases	4,800	--	--	--	--	--	--	4,800
Share capital increase from equity injections from shareholders (Note 27)	15,120	--	(15,120)	--	--	--	--	--
Transfer to legal reserves	--	--	--	123	(123)	--	--	--
Net profit for the year	--	--	--	--	--	9,884	106	9,990
Balance at 31.12.2010	**121,120**	**--**	**13,811**	**12,162**	**(16,702)**	**9,884**	**12,894**	**153,169**

The accompanying notes from an integral part of these financial statements.

KİLER ALIŞVERİŞ HİZMETLERİ A.Ş.
CONSOLIDATED CASH FLOW STATEMENTS FOR YEARS ENDED 31.12.2010 AND 2009
(All amounts in thousands of Turkish Lira (TL) unless indicated otherwise.)

CASH FLOWS DUE FROM OPERATING ACTIVITIES	**Notes**	**Audited 01.01.-31.12.2010**	**Audited 01.01.-31.12.2009**
Profit / (loss) before tax		13,727	17,155
Adjustments to reconcile net income to net cash provided by operating activities		**45,794**	**41,851**
Depreciation and amortization		18,713	13,574
Provision for employee termination benefit	24	2,043	668
Profit sale of fixed assets	31	(154)	(70)
Loss on sale of fixed assets	31	183	39
Provision for doubtful receivables, net	10-11-26	5,998	2,783
Interest income	32	(2,703)	(12)
Interest cost	33	17,011	22,154
Foreign exchange gains	32	(23,400)	(12,064)
Foreign exchange losses	33	29,014	12,940
Unearned interest on trade receivables		(179)	179
Unearned interest on trade payables		1,305	336
Fair value of investment properties		(2,098)	197
Impairment on land and buildings		61	1,127
Operating income before changes in assets and liabilities related with operating activities		**59,521**	**59,006**
Changes in trade receivables		(2,354)	(4,528)
Changes in inventories		(43,089)	(33,308)
Changes in other receivables		(1,243)	(1,046)
Changes in other current assets		2,730	5,608
Changes in other non-current assets		1,147	1,352
Changes in trade payables		(10,711)	14,479
Changes in other payables		1,300	1,469
Changes in provision for payables		2,434	962
Changes in other current liabilities		1,634	455
Taxes paid		(3,524)	(560)
Employee termination benefit paid	24	(762)	(810)
Net cash provided by operating activities		**7,083**	**43,079**
B. CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment	18	(7,326)	(56,971)
Purchase of intangible assets	19	(206)	(234)
Purchase of investment properties	17	(23,846)	(22,475)
Sale of property, plant and equipment	18	1,112	233
Changes in financial investments		--	891
Net cash provided from / (used in) investing activities		**(30,266)**	**(78,556)**
C. CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of financial liabilities		(112,914)	(46,223)
Loans obtained		217,408	91,745
Interest expense		(20,011)	(19,486)
Foreign exchange gains		11,073	11,877
Foreign exchange losses		(18,042)	(12,940)
Interest income		2,703	12
Other receivables from related parties		(39,342)	(10,782)
Other payables to related parties		(19,615)	(6,924)
Share capital increases		4,800	8,140
Equity injections from shareholders	27	--	26,523
Net cash provided from / (used in) financial activities		**26,060**	**41,942**
Changes in cash and cash equivalents		**2,877**	**6,465**
Cash and cash equivalents at the beginning of the period		33,662	27,197
Cash and cash equivalents at the end of the period		36,539	33,662

The accompanying notes from an integral part of these financial statements.

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

NOTE 1 – COMPANY'S ORGANIZATION AND NATURE OF OPERATIONS

Kiler Alışveriş Hizmetleri Gıda San. ve Tic. A.Ş. ("Kiler" or "Kiler Alışveriş") was established in 1994 in Istanbul. Kiler is mainly engaged in retail and wholesale of essential goods. AS of 31.12.2010, Kiler has 105 stores (31.12.2009: 97) and together with its consolidated subsidiary total number of stores is 173 (31.12.2009: 162). As of 31.12.2010, Kiler has 2,954 employees (31.12.2009: 2,788).

Kiler Alışveriş purchased the property, plant and equipment of 12 of the Yimpaş chain stores in August 2008 and rented these stores. 10 of these stores underwent renewal modifications and were opened for service in 2008. The renewal modifications of the remaining 2 stores were completed and opened for service in February 2009.

Kiler's registered address is Namık Kemal Neighborhood, Tonguçbaba Road Number: 23 Haramidere - Esenyurt, Istanbul.

In the accompanying financial statements, Kiler Alışveriş Hizmetleri Gıda Sanayi ve Ticaret A.Ş. is referred to as "The Company'' and together with the subsidiaries is referred to as "The Group''. The interest share of The Company is shown below:

	Economic interest (%)		Ownership interest rate (%)	
Consolidated Company	**31.12.2010**	**31.12.2009**	**31.12.2010**	**31.12.2009**
Kiler Ankara Mağazacılık Sanayi Ticaret A.Ş.	47	47	54	54

(*) Kiler Ankara Mağazacılık Sanayi ve Ticaret A.Ş. belongs to the Canerler store chains which were bought by the Canerler family in 2005. The chain consisted of 49 stores, 1 integrated meat processing facility, 1 management building, a bakery production facility and a commodity warehouse. 47% of the Canerler store chain was purchased by Kiler Alışveriş and 3% of these shares were bought by Kiler Alışveriş's shareholders; Ümit Kiler, Nahit Kiler and Vahit Kiler. The A group shares held by Kiler Alışveriş and the Kiler family have the right of choosing 4 out of the 7 members of the board of directors for their own representation. The remaining 50% of the shares which represent the B group shares have the right of choosing 3 out of 7 members for the board of directors. The remaining Kiler Ankara shares are purchased from Canerler family in 2011 as detailed in Note 41.

Some of the activities of the consolidated company are summarized below:

Kiler Ankara Mağazacılık Sanayi ve Ticaret A.Ş.

Kiler Ankara Mağazacılık Sanayi ve Ticaret A.Ş. ("Kiler Ankara"), was established in Ankara under the name of Canerler Gıda San. ve Tic. A.Ş. ("Canerler Gıda") and is engaged in retail sale. In 2005 50% of the shares of Canerler Gıda (new name Kiler Ankara) was sold to the Kiler family and the Kiler group of Companies. The control and management of Kiler Ankara belongs to the Kiler family and Kiler group of Companies. As of 31.12.2010, there were 68 stores in Ankara (under the banner of Kiler) (31.12.2009: 65). As of 31.12.2010, the number of personnel employed was 1,641 (31.12.2009: 1,716).

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

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

2.1. Basis of Presentation

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS), which comprise standards and interpretations approved by the International Accounting Standards Board and International Accounting Standards and Standing Interpretations Committee interpretations approved by the IASC that remain in effect.

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. Going Concern

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

2.3. Measurement currency and reporting currency

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

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

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

2.5. Offsetting

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

2.6. Basis of consolidation

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

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

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

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

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

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

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

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

The group measured its investment properties and its land and buildings with cost method until 31.12.2009. On 31.12.2009 the Group chooses to measure its investment properties and land and buildings with fair value method. The effect of this change in accounting policy is explained in Note 17 and Note 18.

2.8. Critical accounting estimates, assumptions and judgment

The preparation of financial statements requires management to make 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 revenues and expenses during the reporting period. Actual results could differ from these estimates. These estimates are reviewed periodically and as adjustments become necessary they are reported in earnings in the periods in which they become known.

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

- Allowance for doubtful debts reflect the amount set aside for the losses in the future related to receivables which exist at the balance sheet date but which, in the opinion of the management, carry the risk of collection due to current economic conditions. When evaluating whether receivables have suffered a loss in value the past performance of the debtors, their credibility in the market and their performance between the balance sheet date and report date together with changed circumstances are taken into consideration. In addition the collaterals existing as at the balance sheet date together with new collaterals obtained between the balance sheet date and report date are also taken into consideration. The allowance for doubtful receivables as of the balance sheet dates are explained under note 10 and 11.
- 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 of the Group and management of the Group make their best estimates to calculate the provision required.
- As for the diminution in value of inventories, all inventories are subjected to review and their usage possibility ascertained on the 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 selling prices as disclosed by selling price lists after deduction of average discounts given during the year and selling expenses to be incurred for the realization of stocks. If the net realizable value of any inventory falls under its cost price appropriate provisions are accordingly set aside (Note 13).

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

- 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. The Group estimates the useful life of tangible and intangible assets. Depreciation is charged using the straight line basis over the useful life which depends on the best estimation of the management. The useful life of property, plant and equipment and intangible assets are reviewed at each balance sheet date and changes are made as necessary (Note: 2.9).

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

2.9. Summary of Significant Accounting Policies
Significant accounting policies for financial statements are summarized below:

Revenue Recognition
The Group operates in its retail stores for the selling of food and drinks and durable consumer goods. The selling of goods is recorded once the goods are sold to the customer. The retail sales are generally in credit card or cash payments.

The 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 recognized in profit or loss when there is objective evidence that the asset is impaired. The allowance recognized is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition. The decreases in the impairment of receivables are reflected in the current comprehensive period income statement.

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

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

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

	Useful Life (Years)
Buildings	50
Machinery and equipment	10-20
Vehicles	8–14
Furniture and Fixtures	7-20
Leasehold improvements	10–14

At each balance sheet date, property, plant and equipment and intangible assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Whenever the carrying 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 higher of the 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 between the net sales proceeds, if any, and the restated carrying 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 capitalization together with maintenance and fixtures. Other expenses that arise at a later date that add to the economic value of the product are also capitalized. All other expenses are accounted for as they are in the income statement during the assessment.

Investment Property
Investment property is property (land or a building or part of a building or both) held (by the owner or by the lessee under a finance lease) to earn rentals or for capital appreciation or both.

Investment property is recognized as an asset when it is probable that the future economic benefits that are associated with the property will flow to the entity, and the cost of the property can be reliably measured.

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

Initial measurement
Investment property is initially measured at cost, including transaction costs. Such cost should not include start-up costs, abnormal waste, or initial operating losses incurred before the investment property achieves the planned level of occupancy.

Measurement subsequent to initial recognition
IAS 40 permits entities to choose between the fair value model and the cost model.

Fair value model
Investment property is re-measured at fair value, which is the amount for which the property could be exchanged between knowledgeable, willing parties in an arm's length transaction. Gains or losses arising from changes in the fair value of investment property are included in net profit or loss for the period in which it arises.

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

All the investments properties should be accounted with the same accounting policy explained above.

The 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, control exists over the asset and it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the costs can be measured reliably. Intangible assets are carried at cost less accumulated amortization and impairment. Amortization of intangible assets except goodwill for which the accounting is explained above is allocated on a systematic pro-rata basis using the straight-line method.

	Years
Other intangible assets	5

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

Goodwill
Goodwill arising on the acquisition of a subsidiary or a jointly controlled entity represents the excess of the cost of acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the subsidiary or jointly controlled entity recognized at the date of acquisition. Goodwill is initially recognized as an asset at cost and is subsequently measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognized for good will is not reversed in a subsequent period.

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

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

Financial investments
The Group classifies its financial assets held for trading.

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

Financial assets held for trading are initially recognized at cost and are subsequently re-measured at fair value based on quoted bid prices. All related realized and unrealized 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 over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

Borrowing costs
Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their 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 on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the cost of those assets. All other borrowing costs are recognized in net profit or loss in the period in which they are incurred.

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

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

Earnings per share
Earnings per share disclosed in the income statement are determined by dividing net income by the weighted average number of shares.

Other provisions, contingent liabilities and contingent assets
Other provisions are recognized when present obligations will probably lead to an outflow of economic resources from the Group and they can be estimated reliably. Timing or amount of the outflow may still be uncertain. A present obligation arises from the presence of a legal or constructive commitment that has resulted from past events, for example, product warranties 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, including the risks and uncertainties associated with 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 there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. In addition, long term provisions are discounted to their present values, where time value of money is material. All provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

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

Leases
Finance leases, which transfer to the Group substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the inception of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between the finance charges and reduction 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 over the estimated useful life of the asset.

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

Related Parties
In the presence of one of the following criteria, a party is considered to be an associate of the Group if:

(a) A person or a close member of that person's family is related to a reporting entity if that person:

(i) has control or joint control over the reporting entity;

(ii) has significant influence over the reporting entity; or

(iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

(b) An entity is related to a reporting entity if any of the following conditions applies:

(i) The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).

(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 which the other entity is a member).

(iii) Both entities are joint ventures of the same third party.

(iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.

(v) The entity is a post-employment defined benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.

(vi) The entity is controlled or jointly controlled by a person identified in (a).

(vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

Post balance sheet events
The Group retrospectively recognizes events after the balance sheet date if adjustment is required. If events after the balance sheet date do not require any adjustment, necessary disclosures are made in the notes of the financial statements.

Segment Reporting
As the Group operates in a single business segment and in a single geographic location, there is no basis for segment reporting.

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

Government Incentives and Subsidies
These are reflected in the financial statements when the Group has complied with all of the requirements and reasonable assurance is formed that incentive or assistance will be obtained. Liabilities to governmental departments which may be forgone by the authorities are accepted as government incentives when reasonable assurance is formed that such liabilities will not be paid because the Group has complied with all the requirements related to the liability.

Customer loyalty program
The money points which the Group offers to its customers go within the context of IFIRC 13. Customers obtain money points when they shop from the stores which they can then use later. The Company accounts for the points that its customers obtain at fair values as deferred expense and according to IFIRC 13 this amount is reduced from sales.

Taxation
Income tax expense represents the sum of the tax currently payable and deferred tax. The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the income statement because 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 between the carrying amounts of assets and liabilities in the financial statements and the corresponding 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 all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be used.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realized. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Provision for employee termination benefits
Under Turkish law and union agreements, severance payments are made to employees retiring or involuntarily leaving the Group. Such payments are considered as being part of the defined retirement benefit plan as per International Accounting Standard No: 19 (revised) “Employee Benefits” (“IAS 19”). The retirement benefit obligation recognized in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognized actuarial gains and losses.

Cash flow statements
Cash and cash equivalents, which are the short term investments in cash flow statements, comprise of cash, bank deposits and investments of less than three months maturity and can be directly converted to the cash and are not under the high risk of value changing.

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

2.10. Adoption of New and Revised International Financial Reporting Standards

New and Revised International Financial Reporting Standards

In the current year, the Group has adopted all of the new and revised Standards and Interpretations issued by the International Accounting Standards Board (IASB) and International Financial Reporting Interpretations Committee (IFRIC) that are effective as at 31.12.2010 and that are relevant to its operations.

The new and amended IFRS and International Financial Reporting Interpretations Committee (''IFRIC'') interpretations effective for the financial period ending at December 31, 2010:

The accounting policies, which are basis of presentation of consolidated financial statements, are consistent with those of the previous financial year except for the new standards and interpretation summarized below. The following new and amended IFRS and IFRIC interpretations are adopted in the periods beginning on 01.01.2010:

- IFRIC 17 Distributions of Non-cash Assets to Owners,
- IAS 39 Financial Instruments: Recognition and Measurement (Amended) – eligible hedged items,
- Improvements to IFRS (May 2008),
- The amendments to IFRS 2, "Share Based Payments", share based payments paid in cash by the group.
- Improvements to IFRS (April 2009).
- IFRS 3 (Revised)" Business Combinations" and IAS 27 (Revised) " Consolidated And Separate Financial Statements"

These standards, amendments, improvements and interpretations do not have any material effect on the financial statements of the Group.

The new and amended IFRS and IFRIC interpretations effective for the financial periods beginning after 31.12.2010:

The new and amended IFRS and IFRIC interpretations, which are published but not effective as at the date of the approval of the financial statements and not early adopted by the Group, are as follows:

IFRS 9 'Financial Instruments –Phase 1 financial assets, classification and measurement', is effective for annual periods beginning on or after 01.01.2013. Phase 1 of IFRS 9 Financial Instruments introduces new requirements for classifying and measuring financial assets. Early adoption is permitted. This standard has not yet been endorsed by the EU. The Group is assessing the impact of the new standard.

IAS 24 (Revised) 'Related Party Disclosures' is effective for annual periods beginning on or after 01.01.2011. This revision related to the judgment which is required so as to assess whether a government and entities known to the reporting entity to be under the control of that government are considered as a single customer. In assessing this, the reporting entity shall consider the extent of the economic integration between those entities. Early application is permitted and adoption shall be applied retrospectively. The Group does not expect that this amendment will have an impact on the financial statements of the Group.

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

IAS 32 (Revised) ‘‘Classification on Rights Issues’’, is effective for annual periods beginning on or after 01.02.2010. This amendment relates to the rights issues offered for a fixed amount of foreign currency which were treated as derivative liabilities by the existing standard. The amendment states that if certain criteria are met, these should be classified as equity regardless of the currency in which the exercise price is denominated. The amendment is to be applied retrospectively. The Group does not expect that this amendment will have any impact on the financial statements of the Group.

IFRIC 14 (Amended) ‘‘Prepayments of a Minimum Funding Requirement’’, is effective for annual periods beginning on or after 01.01.2011. The purpose of this amendment was to permit entities to recognize as an asset some voluntary prepayments for minimum funding contributions. Earlier application is permitted and must be applied retrospectively. The Group does not expect that this amendment will have any impact on the financial statements of the Group.

IFRIC 19 ‘‘Extinguishing Financial Liabilities with Equity Instruments’’, is effective for annual periods beginning on or after 01.07.2010. This interpretation addresses the accounting treatment when there is a renegotiation between the entity and the creditor regarding the terms of a financial liability fully or partially. IFRIC 19 clarifies such equity instruments are ‘consideration paid’ in accordance with paragraph 41 of IAS 39. As a result, the financial liability is derecognized and the equity instruments issued are treated as consideration paid to extinguish that financial liability. The Group does not expect that this amendment will have any impact on the financial statements of the Group.

Improvements to IFRSs (published at May 2010):
In May 2010 the IASB issued its third omnibus of amendments to its standards, primarily with a view to removing inconsistencies and clarifying wording. The effective dates of the improvements are various beginning on 01.07.2010. Early application is permitted in all cases and this annual improvements Project has not yet been endorsed by the European Union.

Improvements to IFRSs below are not expected to have an impact on the financial statements of the Group;
IFRS 3: Contingent consideration that arose from business combinations with acquisition dates precede the adoption of revised IFRS 3.
IFRS 3: Measurement of non-controlling interests
IFRS 3: The replacement of the acquirer’s share-based payment transactions (whether obliged or voluntarily)
IAS 1: Clarification to the statement of changes in equity
IAS 27: Clarification of the consequential amendments from IAS 27 ‘Consolidated and Separate Financial Statements’ made to IAS 21, IAS 28 and IAS 31
IFRIC 13: Customer Loyalty Programs: The fair value of award credits
IAS 34 Interim Financial Reporting: Guidance to illustrate how to apply disclosure principles and additional disclosure requirements.

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

IFRS 7 'Financial Instruments: Disclosure as part of its comprehensive review of off balance sheet activities' (Amended),is effective for annual periods beginning on or after 01.07.2011. The purpose of this amendment is to allow users of financial statements to improve their understanding of transfer transaction of financial assets (e.g. securitizations); including understanding the possible effects of additional disclosures if a disproportionate amount of transfer transactions are undertaken around the end of a reporting period. The amendments broadly align the relevant disclosure requirements of IFRSs.

IAS 12 'Deferred Tax: Recovery of Underlying Assets' (Amendment), is mandatory for annual periods beginning on or after 01.01.2012. IAS 12 has been updated to include i) a rebuttable presumption that deferred tax on investment property measured using the fair value model in IAS 40 should be determined on the basis that its carrying amount will be recovered through sale and ii) a requirement that deferred tax on non- depreciable assets, measured using the revaluation model in IAS 16, should always be measured on a sale basis.

NOTE 3 - BUSINESS COMBINATIONS

None (31.12.2009: None).

NOTE 4 - JOINT VENTURES

None (31.12.2009: None).

NOTE 5 - SEGMENT REPORTING

As the Group operates in a single business segment and in a single geographic location, there is no basis for segment reporting.

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

NOTE 6 - CASH AND CASH EQUIVALENTS

	31.12.2010	31.12.2009
Cash	7,331	4,473
Banks		
- Demand Deposit – TL	3,416	6,352
- Demand Deposit – USD	230	59
- Demand Deposit – EURO	79	27
- Demand Deposit – GBP	37	37
Credit Card Receivables	25,446	22,714
	36,539	**33,662**

NOTE 7 – FINANCIAL INVESTMENTS

	31.12.2010		31.12.2009	
Long Term:	**Percentage (%)**	**TL**	**Percentage (%)**	**TL**
KBC Gıda San. Tic. Ltd. Şti.	10.85	54	10.85	54
		54		**54**

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

NOTE 8 – FINANCIAL LIABILITIES

	31.12.2010	31.12.2009
Short Term		
Bank Loans		
- TL	47,387	53,531
- USD	83,216	36,434
- EURO	31	--
Leasing payables	107	63
	130,741	**90,028**
Long Term		
Bank Loans		
- TL	17,447	13,966
- USD	91,146	32,699
- EURO	24	--
Leasing payables	408	128
	109,025	**46,793**

The maturity of financial liabilities is listed below:

	31.12.2010	31.12.2009
0- 3 months	39,385	48,625
3- 12 months	91,356	41,403
1- 2 years	59,012	39,161
2- 3 years	28,003	7,632
3- 4 years	22,010	--
	239,766	**136,821**

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

NOTE 8 - FINANCIAL LIABILITIES (Continued)

As of 31.12.2010, the detail of financial liabilities is listed below (Leasing payables are excluded):

	Currency	Maturity	Nominal Balance	Book Value
Unguaranteed loan	TL	02.01.2011	893	893
Loan under guarantee (8)	TL	04.01.2013	233	235
Loan under guarantee (8)	TL	21.04.2012	20	20
Loan under guarantee (1)	TL	02.03.2011	2,000	2,213
Loan under guarantee (1)	TL	17.02.2011	2,000	2,218
Loan under guarantee (1)	TL	07.03.2011	500	552
Loan under guarantee (1)	TL	15.03.2011	1,000	1,100
Loan under guarantee (1)	TL	13.05.2011	800	866
Loan under guarantee (1)	TL	23.06.2011	600	640
Loan under guarantee (1)	TL	21.06.2011	1,400	1,404
Loan under guarantee (1)	TL	28.03.2011	900	986
Loan under guarantee (1)	TL	22.01.2011	2,000	2,005
Loan under guarantee (8)	TL	17.08.2011	43	43
Loan under guarantee (6)	USD	03.01.2014	13,888	14,163
Loan under guarantee (5)	USD	03.01.2014	2,083	2,123
Loan under guarantee (5)	USD	03.01.2014	2,967	3,025
Loan under guarantee (4)	TL	01.10.2011	4,000	4,120
Loan under guarantee (4)	TL	01.10.2012	23,000	23,692
Loan under guarantee (4)	USD	01.08.2011	12,863	13,293
Loan under guarantee (1)	TL	01.03.2011	500	512
Loan under guarantee (1)	TL	29.03.2011	750	773
Loan under guarantee (1)	TL	24.12.2011	3,000	3,005
Loan under guarantee (1)	USD	12.12.2011	3,865	3,879
Loan under guarantee (3)	USD	03.07.2014	85,030	87,008
Loan under guarantee (3)	USD	06.07.2011	30,920	31,448
Loan under guarantee (2)	USD	31.08.2012	16,573	17,043
Loan under guarantee (8)	TL	10.07.2012	77	78
Loan under guarantee (8)	TL	07.12.2012	33	34
Loan under guarantee (8)	EURO	18.10.2012	55	56
Unguaranteed loan	TL	03.01.2011	471	471
Loan under guarantee (7)	TL	30.03.2011	6,250	6,250
Loan under guarantee (1)	TL	04.08.2011	9,700	10,162
Loan under guarantee (1)	TL	25.02.2011	90	90
Loan under guarantee (1)	TL	23.02.2011	147	148
Loan under guarantee (1)	TL	02.02.2011	259	260
Loan under guarantee (1)	TL	02.02.2011	259	260
Loan under guarantee (1)	TL	25.01.2011	130	130
Loan under guarantee (1)	TL	26.01.2011	194	196
Loan under guarantee (1)	TL	07.03.2011	194	195
Loan under guarantee (1)	TL	16.03.2011	78	78
Loan under guarantee (8)	TL	04.01.2013	793	817
Loan under guarantee (8)	TL	10.07.2012	77	78
Loan under guarantee (1)	USD	16.07.2012	2,374	2,379
Loan under guarantee (1)	TL	23.03.2011	186	186
Loan under guarantee (1)	TL	29.03.2011	62	62
Loan under guarantee (1)	TL	31.03.2011	62	62
			233,319	**239,251**

NOTE 8 - FINANCIAL LIABILITIES (Continued)

(1) Obtained with Kiler Holding A.Ş. and other shareholders' guarantee.
(2) The sections numbered 8, 9, 14, 15, 17, 18 and 19 of the Esenyurt head office building of Kiler Alışveriş has been mortgaged.
(3) Kiler Holding A.Ş., the shareholders of Kiler Alışveriş, and other shareholders pledged 81% of Kiler Alışveriş shares on behalf of the lender (Note 27).
(4) Kiler Holding A.Ş., the shareholders of Kiler Alışveriş, pledged 9% of Kiler Alışveriş shares on behalf of the lender (Note 27).
(5) Obtained with Kiler Holding A.Ş.'s guarantee and a mortgage of Şirinevler store.
(6) The sections numbered 10, 11, 12 and 13 of the Esenyurt head office building of Kiler Alışveriş has been mortgaged.
(7) POS accounts of the Company are primarily charged by the bank under the condition of keeping the most recent installment and releasing the remaining balance free.
(8) Obtained with a mortgage on vehicles.

As of 31.12.2010 average effective rates are 12.23% for financial liabilities in TL, 5.68% for financial liabilities in USD and 6.98% for financial liabilities in EURO.

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

NOTE 8 - FINANCIAL LIABILITIES (Continued)

As of 31.12.2009, the detail of financial liabilities is listed below (Leasing payables are excluded):

	Currency	Maturity	Nominal Balance	Book Value
Loan under guarantee (7)	TL	16.02.2010	2,000	2,418
Loan under guarantee (7)	USD	09.07.2010	3,212	3,222
Loan under guarantee (7)	TL	13.03.2010	490	584
Loan under guarantee (7)	TL	28.01.2010	500	538
Loan under guarantee (7)	TL	26.02.2010	450	475
Loan under guarantee (2)	USD	21.06.2010	639	640
Loan under guarantee (7)	TL	27.10.2010	850	871
Loan under guarantee (3)	TL	26.01.2010	17,000	21,111
Loan under guarantee (3)	TL	06.08.2010	3,000	3,245
Loan under guarantee (1)	USD	08.07.2010	2,311	2,315
Loan under guarantee (4)	USD	01.08.2011	25,085	25,918
Loan under guarantee (1)	USD	23.09.2010	4,115	4,121
Loan under guarantee (1)	TL	23.01.2010	375	446
Loan under guarantee (7)	USD	02.08.2010	964	969
Loan under guarantee (1)	USD	12.12.2011	7,529	7,556
Loan under guarantee (4)	TL	25.05.2010	480	543
Loan under guarantee (4)	TL	07.05.2010	3,700	3,973
Loan under guarantee (4)	TL	07.10.2011	1,950	2,032
Loan under guarantee (4)	TL	05.10.2011	5,250	5,477
Loan under guarantee (4)	TL	14.10.2011	1,500	1,553
Loan under guarantee (4)	TL	04.11.2011	6,800	6,987
Loan under guarantee (4)	TL	10.11.2011	500	512
Loan under guarantee (4)	TL	16.12.2011	4,200	4,226
Loan under guarantee (5)	USD	31.08.2012	20,176	20,749
Loan under guarantee (1)	TL	08.10.2010	1,000	1,034
Loan under guarantee (1)	TL	13.10.2010	500	516
Loan under guarantee (1)	TL	03.05.2010	825	842
Loan under guarantee (1)	TL	10.06.2010	2,000	2,014
Loan under guarantee (1)	TL	30.06.2010	400	400
Loan under guarantee (1)	USD	16.07.2012	3,614	3,643
Loan under guarantee (6)	TL	02.02.2010	6,250	7,261
Unguaranteed loan	TL	05.01.2010	439	439
			128,104	**136,630**

(1) Obtained with Kiler Holding A.Ş.'s guarantee.
(2) The promise of sale contract of Kiler Alışveriş's Başakşehir store has been pledged (Note 18).
(3) Obtained with Kiler Holding A.Ş. and other shareholders' guarantee and a mortgage of Klr İnş. Tic. Ltd. Şti.'s Esenkent store.
(4) Kiler Holding A.Ş., the shareholders of Kiler Alışveriş, pledged 10% of Kiler Alışveriş shares on behalf of the lender (Note 27).
(5) The Esenyurt head office building of Kiler Alışveriş has been mortgaged.
(6) POS accounts of the Company are primarily charged by the bank under the condition of keeping the most recent installment and releasing the remaining balance free.
(7) Obtained with Kiler Holding A.Ş. and other shareholders' guarantee.

As of 31.12.2009 average effective rates are 22% for financial liabilities in TL and 7.65% for financial liabilities in USD.

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

NOTE 9 – OTHER FINANCIAL LIABILITIES

Short Term	31.12.2010	31.12.2009
Other financial liabilities (*)	--	2,806
	--	**2,806**

(*) In 12.12.2008 the original maturity date of the loan obtained amounting to USD 1,861 was 22.10.2009 and with 10% interest to be paid quarterly. According to the protocol signed on 21.12.2009 this liability was extended to 22.12.2010 and it was decided that 4.25% interest will be paid quarterly. No guarantee was issued for this loan.

NOTE 10 - TRADE RECEIVABLES AND PAYABLES

Short term	31.12.2010	31.12.2009
Accounts Receivables		
- Third Parties	2,759	3,628
- Related Parties (Note 37)	5,628	524
Notes Receivables		
- Third Parties	201	673
- Related Parties (Note 37)	3,591	5,000
	12,179	9,825
Deferred financing expense (-)	(129)	(308)
Provision for doubtful receivables (-)	(670)	(592)
	11,380	**8,925**

The movement of provision for doubtful receivables is listed below:

	01.01-31.12.2010	01.01-31.12.2009
Opening balance	592	592
Charge for period	78	--
Closing balance	**670**	**592**

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

NOTE 10 - TRADE RECEIVABLES AND PAYABLES (Continued)

Trade receivables from third parties maturity is listed below:

	31.12.2010	**31.12.2009**
Overdue received	670	592
Between 1-3 months	345	3,510
Between 3-6 months	1,945	159
Between 6-12 months	--	40
	2,960	**4,301**

Trade receivables from related parties maturity is listed below:

	31.12.2010	**31.12.2009**
Overdue received (*)	2,142	--
Between 1-3 months	4,532	524
Between 3-6 months	2,545	--
Between 6-12 months	--	5,000
	9,219	**5,524**

(*) As of the report date, TL 1,403 of overdue receivables from related parties are collected in cash and for the remaining balance amounting TL 739, an transfer agreement was signed with KLR İnşaat Tic. Ltd. Şti. and Tureks Turz. Taş. İnş. San. A.Ş. After the transfer agreement, the receivable amounting TL 739 was netted off with debts to KLR İnşaat Tic. Ltd. Şti. and Tureks Turz. Taş. İnş. San. A.Ş.

The Group’s sales are generally retail sales in cash. The average collection period for the Company's trade receivables from related parties is 45 days (2009: 90) and for other trade receivables is 60 days (2009: 50).

A provision of TL 670 (2009: TL 592) has been set aside for the above mentioned overdue receivables which are without sufficient security, Group does not foresee any collection risk for the remaining balance amounting TL 2,142 based on sectoral conditions.

	31.12.2010	**31.12.2009**
Trade payables		
- Third Parties	124,412	126,479
- Related Parties (Note 37)	4,776	15,411
Notes Payable		
- Third Parties	17,211	18,011
Other Trade Payables	212	339
	146,611	160,240
Deferred Financing Income (-)	(1,220)	(2,525)
	145,391	**157,715**

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

NOTE 10 - TRADE RECEIVABLES AND PAYABLES (Continued)

Long-term trade payables	**31.12.2010**	**31.12.2009**
Notes Payable		
- Third Parties	8,275	5,357
	8,275	**5,357**

Trade Payables to third parties maturity listed below:

	31.12.2010	**31.12.2009**
Overdue payables	654	7,069
Between 1-3 months	138,954	126,596
Between 3-6 months	1,070	9,370
Between 6-12 months	1,157	1,794
More than one year	8,275	5,357
	150,110	**150,186**

Trade Payables to related parties maturity listed below:

	31.12.2010	**31.12.2009**
Between 1-3 months	4,776	11,882
Between 3-6 months	--	3,529
	4,776	**15,411**

The average payment period for the Company's trade payables to related parties is 45 days (2009: 70) and for other trade payables is 30 days (2009: 52).

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

NOTE 11 – OTHER RECEIVABLES AND PAYABLES

Short term receivables:	**31.12.2010**	**31.12.2009**
Sundry receivables		
- Third parties	3,175	1,998
- Related parties (Note 37)	77,012	50,638
- Shareholders (Note 37)	12,968	--
Provision from doubtful receivables (-)	(2,058)	(1,140)
	91,097	**51,496**

Provision for other doubtful receivables is listed below:

	01.01.- 31.12.2010	**01.01.- 31.12.2009**
Opening balance	1,140	206
Charge for period	1,355	934
Proceeds from doubtful receivables	(371)	--
doubtful receivables written-off	(66)	--
Closing balance	**2,058**	**1,140**

Short term payables:	**31.12.2010**	**31.12.2009**
Due to personnel	3,336	2,921
Order advances received	125	152
Other sundry payables		
- Third parties	985	73
- Related parties (Note 37)	20,347	25,413
- Shareholders (Note 37)	1,228	15,777
	26,021	**44,336**

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

NOTE 12 – RECEIVABLES AND PAYABLES FROM FINANCE SECTOR OPERATIONS

None (31.12.2009: None).

NOTE 13 - INVENTORIES

	31.12.2010	31.12.2009
Raw materials	3,402	1,068
Merchandises (*)	200,936	159,911
Other inventories	137	884
Provision for diminution in value (-)	(313)	(790)
	204,162	**161,073**

(*) In 2010, the Company determined to sell its slow moving merchandises amounting to TL 30,652 in the accompanying financial statements as of 31.12.2009 (the remaining balance as of 31.12.2010: TL 5,703) to its related parties for TL 32,149 by deducting the sale amount from related parties' current accounts. The sale is planned to be TL 10,426 from Kiler Alışveriş's merchandises (there is no remaining balance as of 31.12.2010) and TL 20,226 (the remaining balance as of 31.12.2010: TL 5,703) from Kiler Ankara's merchandises. Kiler Alışveriş and Kiler Ankara have signed separate protocols with each related party on 03.03.2010 to sell TL 28,209 (the remaining balance as of 31.12.2010: TL 5,394) of their merchandises. Additionally, as of 31.12.2009 TL 2,443 of these inventories which are not subject to any sale agreement has been sold to shareholders.

The sales plan of the above mentioned merchandises is detailed below:

31.12.2010:

Customer	Kiler Alışveriş	Kiler Ankara	Total Sales Amount
Ümit Kiler	--	923	923
Kiler Alışveriş Hizm. Gıda San. Tic. Ltd. Şti.	--	4,780	4,780
	--	**5,703**	**5,703**

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

NOTE 13 – INVENTORIES (Continued)

31.12.2009:

Customer	**Kiler Alışveriş**	**Kiler Ankara**	**Total Sales Amount**
Kadir Caner	--	2,443	2,443
Ümit Kiler	--	7,238	7,238
Vahit Kiler	--	119	119
Nahit Kiler	--	198	198
Kiler Alışveriş Hizm. Gıda San. Tic. Ltd. Şti.	3,915	11,239	15,154
Bağcı Sebze Meyve Tar. Ür. Su Ür. Soğuk Hav. Depo Tic. A.Ş.	3,071	--	3,071
Yayla Etçilik Besicilik Tic. A.Ş.	2,118	--	2,118
Denge Reklam Tur. İnş. Gıda Elekt. San. Ltd. Şti.	1,808	--	1,808
	10,912	**21,237**	**32,149**

The sales that have taken place and that have not yet taken place amount to TL 30,652 and the sales plan according to dates is stated below:

Date of sale	**Sales amount**
January 2011	1,857
February 2011	1,871
March 2011	1,975
Balance at 31.12.2010	**5,703**
March 2010	1,225
April 2010	1,236
May 2010	1,296
June 2010	3,462
July 2010	5,491
August 2010	3,945
September 2010	3,895
October 2010	2,346
November 2010	1,590
December 2010	1,960
Total	**32,149**

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

NOTE 13 – INVENTORIES (Continued)

The movement of impairment in inventories is detailed below:

	01.01.-31.12.2010	**01.01.-31.12.2009**
Opening balance	790	--
Provisions for period	313	790
Insurance claims income	(25)	--
Inventories written-off	(765)	--
	313	**790**

Insurance guarantee on inventories amounts to TL 98,117 (2009: TL 89,547).

NOTE 14 - LIVE ASSETS

None (31.12.2009: None).

NOTE 15 - RECEIVABLES FROM ONGOING CONSTRUCTION CONTRACTS

None (31.12.2009: None).

NOTE 16 – INVESTMENT ACCOUNTED FOR USING THE EQUITY METHOD

None (31.12.2009: None).

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

NOTE 17- INVESTMENT PROPERTY

	31.12.2009	Additions	Fair value	31.12.2010
Cost value				
Land	1,168	--	46	1,214
Building	22,072	23,846	2,052	47,970
Net book value	**23,240**	**23,846**	**2,098**	**49,184**

	31.12.2008	Additions	Fair value	31.12.2009
Cost value				
Land	962	105	101	1,168
Building	--	22,370	(298)	22,072
Net book value	**962**	**22,475**	**(197)**	**23,240**

31.12.2010:

Type of real estate	Expert company	Expert report date	Report number	Net book value	Fair value	Value increase/ (decrease)
Bahçelievler land (*)	Arge Gayrimenkul Değerleme ve Danışmanlık A.Ş.	21.03.2011	2011_0387	1,168	1,214	46
Esenyurt building (sections numbered 8, 15, 17, 18 and 19) (**)	Arge Gayrimenkul Değerleme ve Danışmanlık A.Ş.	21.02.2011	2011_0388	22,072	22,700	628
Esenyurt building (sections numbered 10, 11, 12 and 13) (***)	Arge Gayrimenkul Değerleme ve Danışmanlık A.Ş.	21.02.2011	2011_0388	23,846	25,270	1,424
				47,086	**49,184**	**2,098**

31.12.2009:

Type of real estate	Expert company	Expert report date	Report number	Net book value	Fair value	Value increase/ (decrease)
Bahçelievler land (*)	Arge Gayrimenkul Değerleme ve Danışmanlık A.Ş.	03.08.2010	2010_1082	1,067	1,168	101
Esenyurt building (Parts 8,15,17,18 and 19)(**)	Arge Gayrimenkul Değerleme ve Danışmanlık A.Ş.	05.08.2010	2010_1089	22,370	22,072	(298)
				23,437	**23,240**	**(197)**

NOTE 17 - INVESTMENT PROPERTY (Continued)

(*) Bahçelievler land
The building plot is in the province of Istanbul, Bahçelievler, Kocasinan, 1 plot, 15704 parcel is a common property. According to the land registry office records the land is registered to Fatma Elbasan and other shareholders. The relation with Kiler Alışveriş is created with the real estate sale promise contract stated between Kiler Alışveriş and Hüseyin Ermiş, Biray Ermiş Samet Ermiş, Serkan Ermiş, Sertaç Ermiş, Mümin Çakıcı, Fatma Arıcı, İzzet Akçor, Fatma Kültür, Halil Akçor, Nurcan Erkin, Fatma Ermiş, Nurhan Ermiş, İrfan Meral, Fatma Elbasan Ayşe Biçim, Reyhan Kaplan, Bedika Ermiş, Necdet Ermiş, Hikmet Ermiş or their assignees. According to the sales promise contracts 26 of 36 shares has been bought by Kiler Alışveriş and these sale contracts have been approved by the notary. However these transactions have not been recorded in the land registry records yet. The Company recorded this land at cost until 31.12.2009 and decided to account this real estate with fair value model on 31.12.2009.

(**) Esenyurt building (sections numbered 8, 15, 17, 18 and 19)
The building is registered in Istanbul, Esenyurt on a 347 block on 10 parcel and consists of office sections. The closed area is 16,500 m^2 and 13,074 m^2 of this area is rented to related companies. The remaining 3,426 m^2 is in the use of the Company and is classified in plant, property and equipment. The Company bought this real estate from related party Kiler Gayrimenkul Yatırım Ortaklığı A.Ş. on 28.08.2009. The real estate which was accounted at cost up until 31.12.2009, when it was valued at fair value.

(***) Esenyurt building (sections numbered 10, 11, 12 and 13)
The building is registered in Istanbul, Esenyurt on a 347 block on 10 parcel and consists of warehouse sections. The closed area is 20,863 m^2 and 8,239 m^2 of this area is rented to Etap Dış Tic. Ltd. Şti. The remaining 12,624 m^2 of the closed area is not in use. The Company bought this real estate from its related party Kiler Gayrimenkul Yatırım Ortaklığı A.Ş. on 06.01.2010 amounting TL 23,458. The real estate which was accounted at cost up until 31.12.2009 was valued at fair value on this date. The net book value of this real asset as of 06.01.2010 was TL 23,846 and the current market value was TL 25,270. The value increase amounting TL 1,424 has been reflected in the income statement in the other income account.

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

NOTE 17 - INVESTMENT PROPERTY (Continued)

Details of investment property are listed below:

Explanation	Exact Square Meters	Exact Square Meters Leased	Monthly rent	Net book value
Bahçelievler land	1,170	--	--	1,214
Esenyurt building (sections numbered 8, 15, 17, 18 and 19)	13,074	3,470	17,351 ABD$	22,700
Esenyurt building (sections numbered 10, 11, 12 and 13)	13,222	8,315	38,000 ABD$	16,015
Esenyurt building (section numbered 12)	2,088	2,088	9,918 ABD$	2,529
Esenyurt building (section numbered 12)	5,553	5,553	26,377 ABD$	6,726
	35,107	**19,426**		**49,184**

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

Bank	Type	Foreign Currency Type	31.12.2010 Foreign Currency Balance	31.12.2010 TL Balance	31.12.2009 Foreign Currency Balance	31.12.2009 TL Balance
Halkbank	Real Estate	USD	22,500	34,785	22,500	33,878
Yapı Kredi Bankası	Real Estate	USD	16,500	25,509	--	--

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

NOTE 18 - PROPERTY, PLANT AND EQUIPMENT

	31.12.2009	Additions	Disposals	Revaluation Differences	31.12.2010
Cost value					
Land	21,311	--	--	--	21,311
Buildings	15,143	--	--	(203)	14,940
Machinery and equipment	3,499	192	--	--	3,691
Vehicles	14,724	1,376	(1,894)	--	14,206
Furniture and fixtures	119,248	2,832	(118)	--	121,962
Leasehold improvements	38,224	2,377	(74)	--	40,527
Machinery and equipment under financial leasing	1,262	549	--	--	1,811
Vehicles under financial leasing	500	--	--	--	500
Furniture and fixtures under financial leasing	1,879	--	--	--	1,879
Advances given	5	--	(5)	--	--
	215,795	7,326	(2,091)	(203)	220,827
Accumulated Depreciation					
Buildings	--	310	--	(142)	168
Machinery and equipment	1,333	350	--	--	1,683
Vehicles	6,210	1,269	(882)	--	6,597
Furniture and fixtures	48,316	13,420	(39)	--	61,697
Leasehold improvements	13,413	2,844	(29)	--	16,228
Machinery and equipment under financial leasing	319	126	--	--	445
Vehicles under financial leasing	184	50	--	--	234
Furniture and fixtures under financial leasing	339	200	--	--	539
	70,114	18,569	(950)	(142)	87,591
Net book value	**145,681**	**(11,243)**	**(1,141)**	**(61)**	**133,236**

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

NOTE 18 - PROPERTY, PLANT AND EQUIPMENT (Continued)

	31.12.2008	Additions	Disposals	Revaluation Differences	31.12.2009
Cost value					
Land	--	15,120	--	6,191	21,311
Buildings	3,708	8,480	--	2,955	15,143
Machinery and equipment	3,465	57	(23)	--	3,499
Vehicles	14,065	1,162	(503)	--	14,724
Furniture and fixtures	88,375	30,881	(8)	--	119,248
Leasehold improvements	36,958	1,266	--	--	38,224
Machinery and equipment under financial leasing	1,262	--	--	--	1,262
Vehicles under financial leasing	500	--	--	--	500
Furniture and fixtures under financial leasing	1,879	--	--	--	1,879
Advances given	--	5	--	--	5
	150,212	56,971	(534)	9,146	215,795
Accumulated Depreciation					
Buildings	406	141	--	(547)	--
Machinery and equipment	1,053	287	(7)	--	1,333
Vehicles	5,286	1,249	(325)	--	6,210
Furniture and fixtures	39,663	8,653	--	--	48,316
Leasehold improvements	10,686	2,727	--	--	13,413
Machinery and equipment under financial leasing	193	126	--	--	319
Vehicles under financial leasing	134	50	--	--	184
Furniture and fixtures under financial leasing	151	188	--	--	339
	57,572	13,421	(332)	(547)	70,114
Net book value	**92,640**	**43,550**	**(202)**	**9,693**	**145,681**

Insurance on property, plant and equipment amounts to TL 219,466 (2009: TL 282,012).

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

NOTE 18 - PROPERTY, PLANT AND EQUIPMENT (Continued)

31.12.2010:

Real Estate Type	**Expert Company**	**Expert Report Date**	**Report Number**	**Net book value**	**Expert value**	**Value increase/ (decrease)**
Esenyurt Building (***)	Arge Gayrimenkul Değerleme ve Danışmanlık A.Ş.	21.02.2011	2011_0388	6,796	6,735	(61)
				6,796	**6,735**	**(61)**

31.12.2009:

Real Estate Type	**Expert Company**	**Expert Report Date**	**Report Number**	**Net book value**	**Expert value**	**Value increase/ (decrease)**
Başakşehir Land and Building (*)	Arge Gayrimenkul Değerleme ve Danışmanlık A.Ş.	26.07.2010	2010_1065	3,137	13,605	10,468
Kartal Land and Building (**)	Arge Gayrimenkul Değerleme ve Danışmanlık A.Ş.	03.08.2010	2010_1081	15,120	15,450	330
Esenyurt Building (***)	Arge Gayrimenkul Değerleme ve Danışmanlık A.Ş.	05.08.2010	2010_1089	8,044	6,937	(1,107)
Kağıthane Land and Building (****)	Arge Gayrimenkul Değerleme ve Danışmanlık A.Ş.	09.08.2010	2010_1102	92	113	21
Başakşehir Residence (*****)	Arge Gayrimenkul Değerleme ve Danışmanlık A.Ş.	09.08.2010	2010_1103	369	350	(19)
				26,762	**36,455**	**9,693**

(*) The Bahçeşehir land is in the province of Istanbul, Esenler, İkitelli, 1266 blocks and parcel number 1 with an area of 5,448m^2. In the land registry this land is registered on behalf of KİPTAŞ (Istanbul Konut, İmar, Plan, Turizm Ulaşım San. ve Tic. A.Ş.) and was bought by Kiler Alışveriş on 23.05.2003 with the promise of sale contract numbered 14789. Due to the continuation of other projects of KİPTAŞ in that area the transfer of land registry has not been completed as of the report date. Kiler Alışveriş has been carrying out all of the legal obligations with regards to the real estate since the date of purchase. The building on that land does not have any certificate of approval. The Group has accounted this land and building at cost less accumulated depreciation until 31.12.2009.

(**) The Kartal land and building is in the province of Istanbul, Kartal, Yukarı Mahalle, block 568, parcel 21 and the land area consists of 4,315 m^2 structures over that land. The parcel is seen as 2 parcels according to the municipality records. The structure on the land consists of a supermarket, 2 residence blocks and an office. The office building does not have any certificate of occupancy. The Group has accounted this land and building at cost less accumulated depreciation until 31.12.2009. On 31.12.2009 the Group has chosen to account its land and building under the fair value method.

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

NOTE 18 - PROPERTY, PLANT AND EQUIPMENT (Continued)

(***) The building is registered in Istanbul Esenyurt 347 block, 10 parcel which belongs to Kiler Alışveriş. The land area consists of a total of 16,500 m^2 and 3,426 m^2 of this land area is used by Kiler Alışveriş. The remaining section is rented and is therefore classified as investment property. The Group has accounted this land and building at cost less accumulated depreciation until 31.12.2009. On 31.12.2009 the Group has chosen to account its land and building under the fair value method. The value decrease amounting TL 61 has been reflected in the income statement in the other expense account.

(****) According to the land registry Kağıthane land and building is in the province Istanbul, Kağıthane, Gürsel, 10301 block with an area of 206 m^2. 136/1236 share belongs to Kiler Alışveriş and consists of an open area of 23 m^2, 72 m^2 licensed closed area and 43 m^2 unlicensed closed area. The Group has accounted for this land and building at cost less accumulated depreciation until 31.12.2009. On 31.12.2009 the Group has chosen to account for its land and building under the fair value method.

(*****) The Başakşehir residence is in the province of Istanbul, Başakşehir, Hoşdere, 559 block and building plot 1 and consists of 120 m^2 suite. The Group has accounted for this land and building at cost less accumulated depreciation until 31.12.2009. On 31.12.2009 the Group has chosen to account for its land and building under the fair value method.

The Group's land, vehicles and buildings have been mortgaged on behalf of banks as of the report date as detailed below:

Bank	Type	Foreign Currency Type	31.12.2010 Foreign Currency Balance	31.12.2010 TL Balance	31.12.2009 Foreign Currency Balance	31.12.2009 TL Balance
TFK	Real Estate	TL	25,000	25,000	20,000	20,000
Halkbank	Real Estate	USD	22,500	34,785	22,500	33,878
Albaraka	Real Estate	TL	20,000	20,000	20,000	20,000
Türkiye Finans Katılım Bankası	Vehicles	TL	1,175	1,175	--	--
Albaraka	Vehicles	TL	286	286	--	--
Yapı Kredi Bankası	Vehicles	TL	64	64	--	--

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

NOTE 19 – INTANGIBLE ASSETS

	31.12.2008	Additions	31.12.2009	Additions	31.12.2010
Cost					
Other intangible assets	1,042	234	1,276	206	1,482
	1,042	234	1,276	206	1,482
Accumulated amortization					
Other intangible assets	688	153	841	144	985
	688	153	841	144	985
Net book value	**354**	**81**	**435**	**62**	**497**

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

NOTE 20 – GOODWILL

	31.12.2010	31.12.2009
Goodwill	43,652	43,652
	43,652	**43,652**

Kiler Ankara Mağazacılık San. ve Tic. A.Ş.	30,011	30,011
Kiler Trakya Mağazacılık San. ve Tic. A.Ş.	13,641	13,641
	43,652	**43,652**

The revaluation of cash generating units is calculated according to 5 years budget of these units with 2% terminal growth. Net present value is calculated using 10% discount rate on before tax cash flows. Based on this computation explained above, no impairment was identified.

NOTE 21 - GOVERNMENT GRANTS

None (31.12.2009: None).

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

NOTE 22 – PROVISIONS

22.1. Contingent liabilities

	31.12.2010	31.12.2009
Provision of lawsuits	7,869	5,435
	7,869	**5,435**

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

As of 31.12.2010, there are a total of 184 law suits and enforcement proceedings opened by the Company amounting to TL 3,866. There are a total of 407 law suits and enforcement proceedings which had been filed against the Company amounting to TL 8,050.

As of 31 December 2009 there were a total of 115 law suits and enforcement proceedings opened by the Company amounting to TL 3,875. There were a total of 261 law suits and enforcement proceedings which had been filed against the Company amounting to TL 6,663.

22.2. Contingent assets

None (31.12.2009: None).

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

NOTE 23 - COMMITMENTS AND CONTINGENCIES

The Group's guarantee, mortgage and accessory contract (GMA) position are shown below:

		31.12.2010	31.12.2009
A	GMA given on behalf of the Group's legal entity(*)	121,595	113,018
B	GMA given on behalf of the Group's subsidiaries	--	--
C	GMA given on behalf of third parties within trading operations	--	--
D	Other GMA		
	- Given on behalf of shareholders	34,825	144,087
	- Given on behalf of related parties except B and C	22,183	92,585
	- Given on behalf of third parties except C	--	--
		178,603	**349,690**

(*) Among the GMA position given by the Group on behalf of its own legal entity, a mortgage on Başakşehir store amounting to TL 25,000was given to Türkiye Finans Katılım Bankası A.Ş. for bank loans that are already used or will be used by Kiler Alışveriş and related parties Kiler Gayrimenkul Yatırım Ortaklığı A.Ş. and/or Kiler Holding A.Ş. and/or KLR İnşaat Ticaret Ltd. Şti. and/or Biskon Yapı A.Ş. In the general credit agreement that signed between related parties and the bank, the total limit of loan is not allocated specifically between borrower parties and the mortgage cannot be allocated for each borrower.

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

NOTE 24 – PROVISION FOR EMPLOYEE TERMINATION BENEFITS

	31.12.2010	31.12.2009
Severance Payment Provisions	**3,849**	**2,568**

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

Severance payments are estimated based on 30 days gross salary for each year. The maximum price is TL/year 2,517.01 as of the related balance sheet date, 31.12.2010 (31.12.2009: TL/year 2,365.16).

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

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

The principal assumption is that the maximum liability for each year of service will increase in line with inflation. Thus, the discount rate applied represents the expected real rate after adjusting for the anticipated effects of future inflation. An expected inflation rate and appropriate discount rate should both be determined, the net of these being real discount rate. As of 31.12.2010 the liability for employment termination benefits was calculated based on an annual real discount rate of 4.66% (31.12.2009: an annual real discount rate of 5.92%) using estimated annual inflation rate of 5.10% and discount rate of 10%.

Severance payment provision movement table listed below:

	01.01.- 31.12.2010	01.01.- 31.12.2009
January 1 balance	2,568	2,710
Charge for the period	2,043	668
Payments	(762)	(810)
Total	**3,849**	**2,568**

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

NOTE 25 - PENSION PLANS

None (31.12.2009: None).

NOTE 26 – OTHER ASSETS AND LIABILITIES

Other current assets	**31.12.2010**	**31.12.2009**
Prepaid expenses	360	430
Prepaid rent expenses	5,175	3,432
Prepaid taxes and funds	125	--
VAT carried forward	--	1,710
Advances given for business purposes	1,098	970
Deposits and guarantees given	305	260
Income accruals	240	806
Expenses related IPO (*)	539	--
Advances given	11,815	15,352
Advances given to related parties (Note 37)	119	--
Provision for advances given	(7,774)	(3,291)
	12,002	**19,669**

(*) These are related to expenses directly attributable to the IPO which took place in 2011. In 2011 these expenses will be netted off with the share premium that arising from the share capital increase by issuing new shares in the Istanbul Stock Exchange (Note 40).

The transaction of provision for advances given is below:

	01.01.-31.12.2010	**01.01.-31.12.2009**
Opening balance	3,291	1,931
Charge for the period	6,083	1,360
Proceeds from doubtful receivables	(1,147)	--
Advances given written-off	(453)	--
	7,774	**3,291**

Other non-current assets	**31.12.2010**	**31.12.2009**
Prepaid expenses	4	2
Prepaid rent expenses	10,575	11,724
	10,579	**11,726**

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

NOTE 26 – OTHER ASSETS AND LIABILITIES (Continued)

Other current liabilities	**31.12.2010**	**31.12.2009**
Social security premiums and taxes	4,604	3,893
Expense accruals	266	8
Deposits and guarantees received	132	142
Provision for customer loyalty program	950	274
	5,952	**4,317**

NOTE 27 - EQUITY

As of 31.12.2010 and 2009, the shareholders of the Company and their shareholding percentages were as follows:

27.1)	**31.12.2010**		**31.12.2009**	
	Percentage (%)	Share Amount	Percentage (%)	Share Amount
Kiler Holding A.Ş.	48.40	58,622	55.00	57,750
Ümit Kiler	16.30	19,743	14.00	14,700
Nahit Kiler	16.30	19,743	14.00	14,700
Vahit Kiler	16.30	19,743	14.00	14,700
Other	2.70	3,269	3.00	3,150
		121,120		**105,000**
Capital commitments (-)		--		(3,800)
		121,120		**101,200**

The capital of the Company as at 31.12.2009 and 2009 was TL 121,120 and TL 105,000. This capital consisted of 121,120,000 (2009: 10,500,000,000) TL 12,000 (2009: TL 72,262) shares for TL 1 (Krş 1) each and comprise of 12,000,000 shares (2009: 7,226,158,929) are A group shares and TL 109,120 (2009: TL 32,738) which comprise of 109,120,000 shares (2009: 3,273,841,071) are B group shares.

In the extraordinary general assembly meeting dated from 15.09.2010, it has been decided that the articles of association of Kiler Alışveriş are amended such as that the registered authorized capital of the Company shall be worth of TL 500,000 consisting of 500,000,000 shares, TL 1 per each share, and the board of directors are authorized to increase the registered share capital between the years 2010 and 2014 up to the authorized level within the rules and regulations and of Capital Market Law.

NOTE 27 – EQUITY (Continued)

A group shares are bearer shares and B group shares are registered shares. According to the Company's Main Agreement numbered 6, A group shares are privileged shares. This privileges which are detailed in the Company's articles of association paragraph 8, 10, 13.2 consist of the determination of the Board of directors and auditors and gives right to vote as detailed below (In 2009, these shares are equally held by shareholders according to their shareholding percentage and no privileges are assessed):

(*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 right of auditors;

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

(*iii*) Privilege on voting in the General Assembly meetings;

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

The share capital of the Company after the IPO is detailed in Note 40.

In the extraordinary general meeting of shareholders of Kiler Alışveriş dated 11.06.2010 the capital of the Company which was 105,000 TL was increased to TL 121,120. TL 1,000 of the share capital increase was financed by the shareholders' cash capital injection and TL 15,120 was financed by the special fund which comprised of assets received from shareholders to be added to the share capital according to law number 5811. The decision was registered on 22.06.2010 and was issued in the Turkish Commercial Register Newspaper dated 28.06.2010 numbered 7594.

In the extraordinary general meeting of shareholders of Kiler Alışveriş dated 18.08.2009 the capital of the Company which was TL 100,000 was increased to TL 105,000. TL 1,000 of the capital increase was financed by the special fund which comprised of assets received from shareholders to be added to the share capital according to law number 5811 (Note 27.4) and TL 4,000 was increased by shareholders in cash. The decision was registered on 01.09.2009 and was issued in the Turkish Commercial Register Newspaper dated 04.09.2009 numbered 7391.

NOTE 27 – EQUITY (Continued)

a. The shareholders of the Group pledged Kiler Alışveriş shares as a guarantee of Kiler Alışveriş and Kiler Gayrimenkul Yatırım Ortaklığı A.Ş.'s loans on 30.06.2010. The limit of the loan is USD 110,000. According to the loan agreement Kiler Holding's 2,802,896,705 A group shares and 2,059,311,295 B group shares, Ümit Kiler's 963,075,749 A group shares and 406,180,251 B group shares and Nahit Kiler's 963,075,749 A group shares and 406,180,251 B group shares, Vahit Kiler's 1,608,791,222 A group shares and 365,464,778 B group shares, Hikmet Kiler's 83,170,759 A group shares and 25,837,241 B group shares, Denge Reklam Turizm İnş.Eml.Gıda Elekt.Elektronik San.ve Tic. Ltd. Şti.'s 39,968,726 A group shares and 105,375,274 B group shares totaling 9,829,328,000 shares (which comprise 81% of Kiler Alışveriş's total share capital) are pledged for a first degree on behalf of the lender for the principal loan amount and any type of accrual in terms of interest and expense.

- According to the renewed agreement a maximum of 30% of Kiler Alışveriş shares may be offered to the public and the pledge for the maximum of 30% of shares will be terminated under the conditions stated below:

  i- Not existing past or present default.
  ii- If the initial public offering does not take place, the shares set free from the lender for the possibility of the initial public offering, will need to be refunded back to the lender party, for a pledge to be reformed on behalf of the lender.
  iii- All these issues will be subject to the assignment of the claim agreement and the public offering protocol which will be signed in between the borrower, the shareholder and the lender.
  iv- The initial public offering should reach the stage that the Capital Market Boards of Turkey obliges and demanded the termination of pledges of shares.
  v- All procedures and formalities to bring the shares into circulation should be completed in accordance with regulations and all processes with the Central Registry Agency and Istanbul Stock Exchange Settlement and Custody Bank Inc. should be completed.

According to the contract signed on 16.12.2010, after the IPO 15% pledge of share were cancelled and the pledge of share ratio was decreased to 66% (Note 40).

b. As being shareholder of the Group, Kiler Holding A.Ş. has pledged Kiler Alışveriş shares for being a guarantee to the utilized loans of Kiler Gayrimenkul Yatırım Ortaklığı A.Ş. from the ING Bank A.Ş. Those 1,000,000,000 registered shares of Kiler Alışveriş owned by Kiler Holding A.Ş. which corresponds to 9% of its capital of TL 100,000 at the date of agreement were decided to be pledged in favor of the bank against the principal and the accrued interest including all loan related expenses.

c. Further shareholders of the Group, namely Nahit Kiler and Ümit Kiler provided Kiler Alışveriş shares as a security and pledged those shares at Denizbank against the loans of Kiler Holding A.Ş. As of the agreement date, those shares corresponded to 10% share capital worth TL 50,000 of Kiler Alışveriş.

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

NOTE 27 – EQUITY (Continued)

27.2)	**31.12.2010**	**31.12.2009**
Legal Reserves	904	781
Extraordinary Reserves	11,258	11,258
	12,162	**12,039**

27.3)	**31.12.2010**	**31.12.2009**
General Reserves	(16,702)	(24,541)
	(16,702)	**(24,541)**

27.4)	**31.12.2010**	**31.12.2009**
Revaluation surpluses and special funds	13,811	28,931
	13,811	**28,931**

According to Bring in Assets to the National Economy Law numbered 5811 dated 22.11.2008; companies are prompt to present to banks, brokerage institutions or tax offices until 31.12.2009 the fair value of their money, gold, securities and other financial investments held abroad and other assets demonstrable with related documents existed as of 01.06.2009. These assets are recorded in the statutory books according to law number 213 and a special fund should be created under the equity for these assets. This fund is a part of the share capital that should be used in share capital increases and cannot be used for other purposes and in case of liquidation it is not subject to taxation.

According to the law mentioned above; in 2009 the group received TL 26,523 injection to its equity which consisted of TL 10,900 of bank accounts (TL 1,000 belongs to Kiler Alışveriş and TL 9,900 belongs to Kiler Ankara), TL 15,120 of Kartal land and building (belongs to Kiler Alışveriş) (Note 18) and TL 503 of injection to the equity of its subsidiaries. In the extraordinary meeting dated 18.08.2009 TL 1,000 of this fund is used for capital increase.

In the extraordinary general meeting of shareholders of Kiler Alışveriş dated 11.06.2010, TL 15,120 and in the extraordinary general meeting dated 28.06.2010 TL 9,900 of the above mentioned fund are used to finance share capital increase.

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

NOTE 28 - SALES AND COST OF SALES

	01.01-31.12.2010	01.01-31.12.2009
Retail and wholesale sales	687,275	659,088
Other sales	92,887	119,241
	780,162	778,329
Minus: Deductions and returns	(8,944)	(8,253)
Sales revenues (net)	771,218	770,076
Cost of sales	(554,047)	(567,820)
Gross Profit	**217,171**	**202,256**

NOTE 29 – RESEARCH AND DEVELOPMENT EXPENSES, MARKETING, SELLING AND DISTRIBUTION EXPENSES, GENERAL ADMINISTRATIVE EXPENSES

	01.01-31.12.2010	01.01-31.12.2009
Marketing, selling and distribution expenses	139,519	129,547
General administrative expenses	37,377	25,171
	176,896	**154,718**

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

NOTE 30 – OPERATING EXPENSE BREAKDOWN

Marketing, selling and distribution expenses	**01.01-31.12.2010**	**01.01-31.12.2009**
Personnel expense	53,298	46,055
Office expense	17,057	18,331
Advertisement expense	6,051	6,373
Rent expense	32,896	33,575
Repair and maintenance expense	4,756	3,438
Packaging expenses	679	2,049
Security expense	1,112	1,104
Communication expense	300	375
Motor vehicle expenses	2,828	1,768
Insurance expense	689	639
Tax expense	757	802
Bank expense	1,222	666
Remuneration expense	127	379
Depreciation and amortization expense	11,246	8,422
Sale commission expense	428	839
Travelling expenses	3,217	2,081
Other	2,856	2,651
	139,519	**129,547**

General and administrative expenses	**01.01-31.12.2010**	**01.01-31.12.2009**
Personnel expense	5,808	3,513
Travelling expense	703	503
Consulting expense	1,900	898
Office expense	4,516	4,200
Rent expense	1,110	1,445
Motor vehicle expense	3,578	2,633
Insurance expense	249	456
Repair and maintenance expense	553	490
Communication expense	773	806
Tax expense	595	274
Provision for severance pay	2,043	668
Provision for doubtful receivables	7,516	2,783
Reversal of unnecessary provision	(1,518)	--
Depreciation and amortization expense	7,287	4,848
Other	2,264	1,654
	37,377	**25,171**

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

NOTE 31– INCOME/EXPENSE FROM OTHER OPERATIONS

Other operating income and profit	**01.01-31.12.2010**	**01.01-31.12.2009**
Revaluation surplus on investment property	2,098	101
Insurance claim income	1,614	1,857
Income on sale of fixed assets	154	70
Other	696	504
	4,562	**2,532**

Other operating expenses	**01.01-31.12.2010**	**01.01-31.12.2009**
Loss on sale of fixed assets	183	39
Damaged merchandises and fixed assets	804	--
Loss on penalties and claims	875	480
Donation expenses	35	386
Lawsuit expenses and provisions	3,578	1,918
Tax expense	592	1,697
Diminution in net book value of investment property	--	298
Diminution in net book value of property, plant and equipment	61	1,127
Other	1,587	1,340
	7,715	**7,285**

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

NOTE 32 – FINANCIAL INCOME

	01.01-31.12.2010	01.01-31.12.2009
Dividend income	--	112
Term differences on credit sale	714	655
Interest income from related parties	2,703	12
Foreign exchange gain	23,400	12,064
Interest income	298	--
Profit on marketable securities	82	269
	27,197	**13,112**

NOTE 33 - FINANCIAL EXPENSES

	01.01-31.12.2010	01.01-31.12.2009
Term differences on credit purchase	4,082	3,539
Interest and commission expense	17,011	22,154
Foreign exchange expense	29,014	12,940
Other	485	107
	50,592	**38,740**

NOTE 34 – ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

None (31.12.2009: None).

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

NOTE 35 - TAX ASSETS AND LIABILITIES (INCLUDING DEFERRED TAX)

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

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

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

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

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

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

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

The computation of the statutory taxes for periods 31.12.2010 and 2009 is as follows:

Balance Sheet	**31.12.2010**	**31.12.2009**
Current period corporation tax expense	2,716	1,331
Prepaid taxes	(2,607)	(412)
	109	**919**

Income Statements	**01.01-31.12.2010**	**01.01-31.12.2009**
Current period corporation tax expense	(2,716)	(1,371)
Deferred tax income / (expense)	(1,021)	(6,276)
Total tax income / (expense)	**(3,737)**	**(7,647)**

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

NOTE 35 - TAX ASSETS AND LIABILITIES (INCLUDING DEFERRED TAX) (Continued)

b) Deferred Tax

The Company recognizes deferred tax assets and liabilities based upon temporary differences arising between the financial statements prepared in accordance with the Communiqué and the statutory tax financial statements.

The breakdown of cumulative temporary differences and the resulting deferred tax assets/(liabilities) provided at 31.12.2010 and 2009 using the enacted tax rates are as follows:

	Total temporary differences		Deferred tax asset/(liabilities)	
	31.12.2010	**31.12.2009**	**31.12.2010**	**31.12.2009**
Unearned interest on trade receivable	129	308	26	62
Provision for severance payments	3,849	2,568	770	514
Finance expense	--	3,898	--	780
Provision for doubtful receivables	9,946	4,425	1,989	885
Cancellation of capitalized interest expense	24,951	24,831	4,990	4,966
Term difference on inventories	773	1,087	155	217
Lawsuit provision	7,869	5,435	1,574	1,087
Previous Year Losses	--	2,871	--	574
Revaluation differences on investment property	--	197	--	39
Confirmation differences	2,332	646	466	128
Other	1,423	434	284	88
Unearned interest on trade payable	(1,220)	(2,525)	(244)	(505)
Revaluation difference on land and buildings	(8,853)	(9,692)	(1,771)	(1,938)
Revaluation differences on investment property	(1,901)	--	(380)	--
Difference on depreciation arising from recalculation with useful economic life	(48,803)	(39,282)	(9,761)	(7,857)
Finance expense	(355)	--	(71)	--
Other	(42)	--	(8)	--
Deferred tax assets	51,272	46,700	10,254	9,340
Deferred tax liabilities	(61,174)	(51,499)	(12,235)	(10,300)
Deferred tax assets / liabilities, net	**(9,902)**	**(4,799)**	**(1,981)**	**(960)**

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

NOTE 35 - TAX ASSETS AND LIABILITIES (INCLUDING DEFERRED TAX) (Continued)

Reconciliation of deferred tax as follows	**31.12.2010**	**31.12.2009**
Deferred tax assets / (liabilities), net current period	(1,981)	(960)
Deferred tax assets / (liabilities), net beginning of the period (-)	960	(7,480)
	(1,021)	**(8,440)**
Deferred tax income / (expense)	(1,021)	(6,276)
Deferred tax on fair value gain of property, plant and equipment	--	(2,164)
	(1,021)	**(8,440)**

The tax expense from the consolidated financial statements belonging to the accounting periods are as seen below:

	01.01-31.12.2010	**01.01-31.12.2009**
Profit before tax	13,724	17,157
Tax expense expected as a result of the main partnership tax rate (20%)	(2,745)	(3,431)
Group’s expected tax expense	(2,745)	(3,431)
Effect of tax disallowed expenses	(937)	(977)
The tax effect of other incomes exempt from tax	502	548
Other differences	(557)	(3,787)
Group’s tax expense for the period	**(3,737)**	**(7,647)**

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

NOTE 36 – EARNINGS PER SHARE

	01.01-31.12.2010	**01.01-31.12.2009**
Net profit/(loss) for the year	9,990	9,510
Minority's net loss for the year	(106)	(1,548)
Profit attributable to equity holders of company	9,884	7,962
Weighted average number of outstanding ordinary shares	120,629,589	10,213,698,630
Earnings per share (TL)	0.0819	0.0008

NOTE 37- RELATED PARTIES DISCLOSURES

As detailed in conditions c, d, e and f below, the Group has entered into several financing transactions with its related parties. No interest has been calculated on these amounts. According to the Board of Directors' decision dated 30.07.2010 numbered 184, all receivables/debts which are given/obtained to/from related parties with the aim of financing will be subject to interest.

a) Trade receivables from related parties	**31.12.2010**	**31.12.2009**
Denge Reklam Tur. İnş. Gıda. Elekt. San. Ltd. Şti.	2,530	169
Kiler Gayrimenkul Yatırım Ortaklığı A.Ş.	--	294
Beyaz Çınar Yapı İnş. Emlak Yön. Hizm. Ltd. Şti.	--	61
Kiler Alışveriş Hizmetleri Gıda San. Tic. Ltd. Şti.	854	--
Bağcı Sebze Meyve Tar. Ürünleri Su Ür. Soğuk Hav. Depo Tic. A.Ş.	1,665	--
Yayla Etçilik Besicilik A.Ş.	579	--
	5,628	**524**

a) Notes receivables from related parties	**31.12.2010**	**31.12.2009**
Tureks Turizm Taşımacılık İnşaat Akaryakıt İstasyon Temizlik Hizmetleri İşletmeciliği Ticaret ve Sanayi A.Ş.	3,591	5,000
	3,591	**5,000**

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

NOTE 37 - RELATED PARTIES DISCLOSURES (Continued)

b) Trade payables to related parties	**31.12.2010**	**31.12.2009**
Kütahya Şeker Fabrikası A.Ş.	324	10,219
Bağcı Sebze Meyve Tar. Ürünleri Su Ür. Soğuk Hav. Depo Tic. A.Ş.	--	1,651
Yayla Etçilik Besicilik A.Ş.	--	788
Tureks Turizm Taşımacılık İnşaat Akaryakıt İstasyon Temizlik Hizmetleri İşletmeciliği Ticaret ve Sanayi A.Ş.	522	--
Denge Reklam Tur. İnş. Gıda. Elekt. San. Ltd. Şti.	301	101
KBC Gıda San. Tic. Ltd. Şti.	3,482	2,652
Klr İnşaat Tic. Ltd. Şti.	147	--
	4,776	**15,411**

c) Other receivables from related parties	**31.12.2010**	**31.12.2009**
Kiler Holding A.Ş.	72,821	24,892
Kiler Gayrimenkul Yatırım Ortaklığı A.Ş.	1,388	20,335
Klr İnşaat Tic. Ltd. Şti.	--	5,201
Nur-Tek Elekt. Üretim A.Ş.	79	81
Gülkar Enerji Üretim ve Tic. A.Ş.	182	24
Ekol Turizm Otelcilik A.Ş.	--	22
Beyaz Çınar Yapı İnş. Emlak Yön. Hizm. Ltd. Şti.	210	1
De-ka Petrol Ürün. Paz. Day. Tük. Mal. Tur. İnş. Taah. San. Tic. Ltd. Şti.	--	76
Özbey Enerji İnş. Taah. Kuyum. Tur. San. Tic. A.Ş.	32	6
Nuve Elekt. Ür. A.Ş.	22	--
Ekol Elekt. Ür. Dağ. San. Tic. A.Ş.	40	--
Biskon Yapı A.Ş.	2,198	--
Ayone Enerji Ür. A.Ş.	35	--
Ümit Sağlık Hizm. San. ve Tic. A.Ş.	4	--
İmperyay/İmper Yayıncılık ve Reklamcılık A.Ş.	1	--
	77,012	**50,638**

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

NOTE 37 - RELATED PARTIES DISCLOSURES (Continued)

c) Other receivables from shareholders	**31.12.2010**	**31.12.2009**
Nahit Kiler	3,769	--
Vahit Kiler	285	--
Ümit Kiler	7,868	--
Hikmet Kiler	23	--
Sevgül Kiler	23	--
Kadir Caner	600	--
Ahmet Caner	200	--
İsmail Caner	200	--
	12,968	**--**

d) Other payables to related parties	**31.12.2010**	**31.12.2009**
Kiler Alışveriş Hizmetleri Gıda San. Tic. Ltd. Şti.	--	2,500
Nuve Elekt. Ür. A.Ş.	--	25
Ayone Enerji Ür. A.Ş.	--	13
İmperyay/İmper Yayıncılık ve Reklamcılık A.Ş.	--	9
Kütahya Şeker Fabrikası A.Ş.	20,000	22,865
Kiler Holding A.Ş.	237	1
İntaş Güvenlik Koruma Hiz. Ltd. Şti.	110	--
	20,347	**25,413**

d) Other payables to shareholders	**31.12.2010**	**31.12.2009**
Ümit Kiler	602	8,156
Nahit Kiler	--	204
Vahit Kiler	--	159
Kadir Caner	617	5,270
Ahmet Caner	--	1,030
İsmail Caner	9	958
	1,228	**15,777**

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

NOTE 37 - RELATED PARTIES DISCLOSURES (Continued)

e) Other current assets from related parties	**31.12.2010**	**31.12.2009**
Kütahya Şeker Fabrikası A.Ş.	119	--
	119	**--**

f) Sales to related parties	**01.01-31.12.2010**	**01.01-31.12.2009**
Klr İnşaat Tic. Ltd. Şti.	105	183
Biskon Yapı A.Ş.	49	169
Kiler Gayrimenkul Yatırım Ortaklığı A.Ş.	25	45
Kiler Holding A.Ş.	2,679	600
Denge Reklam Tur. İnş. Gıda. Elekt. San. Ltd. Şti.	2,022	209
Gülkar Enerji Üretim ve Tic. A.Ş.	16	1
Nur-Tek Elekt. Üretim A.Ş.	57	55
Bağcı Sebze Meyve Tar. Ürünleri Su Ür. Soğuk Hav. Depo Tic. A.Ş.	3,071	--
Yayla Etçilik Besicilik A.Ş.	2,118	--
İmperyay/İmper Yayıncılık ve Reklamcılık A.Ş.	--	1,141
Kbc Gıda San. Tic. Ltd. Şti.	445	--
Beyaz Çınar Yapı İnş. Emlak Yön. Hizm. Ltd. Şti.	2	231
Kütahya Şeker Fabrikası A.Ş.	1,979	--
Özbey Enerji İnş. Taah. Kuyum. Tur. San. Tic. A.Ş.	2	--
Ümit Kiler	6,285	--
Kadir Caner	2,443	--
Nahit Kiler	281	--
Vahit Kiler	125	--
Kiler Alışveriş Hizmetleri Gıda San. Tic. Ltd. Şti.	10,627	--
Ekol Elekt. Ür. Dağ. San. Tic. A.Ş.	3	--
Other	5	--
	32,339	**2,634**

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

NOTE 37 - RELATED PARTIES DISCLOSURES (Continued)

g) Purchases from related parties	**01.01-31.12.2010**	**01.01-31.12.2009**
Kiler Holding A.Ş.	729	897
Denge Reklam Tur. İnş. Gıda. Elekt. San. Ltd. Şti.	7,443	4,303
Klr İnşaat Tic. Ltd. Şti.	667	102
Kbc Gıda San. Tic. Ltd. Şti.	8,760	8,454
Bağcı Sebze Meyve Tar. Ürünleri Su Ür. Soğuk Hav. Depo Tic. A.Ş.	192	67
Kütahya Şeker Fabrikası A.Ş.	2,311	6,524
Kiler Gayrimenkul Yatırım Ortaklığı A.Ş.	1,938	647
Tureks Turizm Taşımacılık İnşaat Akaryakıt İstasyon Temizlik Hizmetleri İşletmeciliği Ticaret ve Sanayi A.Ş.	2,681	--
Ümit Kiler	327	--
Nahit Kiler	431	--
Vahit Kiler	136	--
Hikmet Kiler	47	--
Kadir Caner	231	--
Ahmet Caner	138	--
İsmail Caner	25	--
	26,056	**20,994**

h) Remuneration of the management

The total remuneration of the chairman, the members of Board and the top management, amounted to TL 1,335 for the period ended 31.12.2010 (01.01-31.12.2009: TL 1,212).

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

NOTE 38 - FINANCIAL INSTRUMENTS RISKS CHARACTERISTICS AND NATURE

Financial instruments

Financial risk management policies
The Company aims to overcome the potential negative effects of fluctuations in the market by the risk management program and focuses on managing the various financial risks of foreign exchange rates and interest rates.

Interest rate risk
Interest rate risk arises because changes in interest rates may affect profitability as disclosed in the financial statements.

The Company's interest rate position and sensitivity analysis are shown below as of 31.12.2010 and 2009:

Interest Rate Position			
		31.12.2010	**31.12.2009**
Financial instrument with fixed interest rate:			
Financial assets	Financial assets which fair value differences are reflected in profit/loss	--	--
	Financial assets available for sale	--	--
Financial liabilities		121,310	118,878
Financial instrument with variable interest rate:			
Financial assets	Financial assets which fair value differences are reflected in profit/loss	--	--
	Financial assets available for sale	--	--
Financial liabilities		118,456	20,749

If the base point was 1% higher/lower as of 31.12.2010; and if all of the other variables had remained the same, the profit before tax would have been higher/lower by TL 573 (31.12.2009: TL 482).

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

NOTE 38 - FINANCIAL INSTRUMENTS RISKS CHARACTERISTICS AND NATURE (Continued)

Credit risk
Being an owner of the financial assets conveys the risk of non-obeying the contract of the other party.

Exposure to credit risks with financial instruments are shown below:

31.12.2010	Receivables						
	Trade receivables		Other receivables				
	Related Parties	Other Parties	Related Parties	Other Parties	Bank Amounts	Derivative Instruments	Other
Maximum exposure to credit risk as of 31.12.2010	--	--	--	--	--	--	--
- Secured portion of maximum credit risk with collateral	--	--	--	--	--	--	--
A. Carrying amount of financial assets that are not overdue and not impaired	6,990	2,248	89,980	1,117	3,762	--	--
B. Carrying amount of financial assets whose terms were renegotiated, otherwise are overdue and impaired	--	--	--	--	--	--	--
C. Carrying amount of assets that are overdue but not impaired	--	--	--	--	--	--	--
- Carrying amount secured with collateral	--	--	--	--	--	--	--
D. Carrying amount of assets that are impaired	--	--	--	--	--	--	--
- Overdue (gross carrying amount)	2,142	670	--	2,058	--	--	--
- Impairment (-)	--	(670)	--	(2,058)	--	--	--
- Carrying amount secured with collateral	--	--	--	--	--	--	--
- Not overdue (gross carrying amount)	--	--	--	--	--	--	--
- Impairment (-)	--	--	--	--	--	--	--
- Carrying amount secured with collateral	--	--	--	--	--	--	--
E. Credit risk issues out of balance sheet	--	--	--	--	--	--	--
Total	**9,132**	**2,248**	**89,980**	**1,117**	**3,762**	**--**	**--**

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

NOTE 38 - FINANCIAL INSTRUMENTS RISKS CHARACTERISTICS AND NATURE (Continued)

31.12.2009	Receivables						
	Trade receivables		Other receivables				
	Related Parties	Other Parties	Related Parties	Other Parties	Bank Amounts	Derivative Instruments	Other
Maximum exposure to credit risk as of 31.12.2009	--	--	--	--	--	--	--
- Secured portion of maximum credit risk with collateral	--	--	--	--	--	--	--
A. Carrying amount of financial assets that are not overdue and not impaired	5,524	3,401	50,638	858	6,475	--	--
B. Carrying amount of financial assets whose terms were renegotiated, otherwise are overdue and impaired	--	--	--	--	--	--	--
C. Carrying amount of assets that are overdue but not impaired	--	--	--	--	--	--	--
- Carrying amount secured with collateral	--	--	--	--	--	--	--
D. Carrying amount of assets that are impaired	--	--	--	--	--	--	--
- Overdue (gross carrying amount)	--	592	--	1,140	--	--	--
- Impairment (-)	--	(592)	--	(1,140)	--	--	--
- Carrying amount secured with collateral	--	--	--	--	--	--	--
- Not overdue (gross carrying amount)	--	--	--	--	--	--	--
- Impairment (-)	--	--	--	--	--	--	--
- Carrying amount secured with collateral	--	--	--	--	--	--	--
E. Credit risk issues out of balance sheet	--	--	--	--	--	--	--
Total	**5,524**	**3,401**	**50,638**	**858**	**6,475**	**--**	**--**

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

NOTE 38 - FINANCIAL INSTRUMENTS RISKS CHARACTERISTICS AND NATURE (Continued)

Liquidity risk
The breakdown of liabilities according to their contractual maturity is based on the maturity dates from the date of the balance sheet is given below:

31.12.2010

Contractual maturities	Book value	Total cash outflow according contract	1-3 months maturity	3-12 months maturity	Over 1 year
Financial liabilities	239,766	258,165	39,985	95,221	122,959

Expected maturities	Book value	Total cash outflow according expected	1-3 months maturity	3-12 months maturity	Over 1 year
Trade payables	153,666	154,886	144,384	2,227	8,275
Other payables	26,021	26,021	26,021	--	--

31.12.2009

Contractual maturities	Book value	Total cash outflow according contract	1-3 months maturity	3-12 months maturity	Over 1 year
Financial liabilities	136,821	149,492	49,392	44,380	55,720

Expected maturities	Book value	Total cash outflow according expected	1-3 months maturity	3-12 months maturity	Over 1 year
Trade payables	163,072	165,597	145,547	14,693	5,357
Other payables	44,336	44,336	21,470	22,866	--

Foreign currency risk
The Group's exposure to foreign currency risk arising from its foreign currency (mainly USD and EURO) assets and liabilities which are sensitive to changes in foreign currency exchange rates. The net currency position of the Group as of the balance sheet dates are shown below:

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

NOTE 38 - FINANCIAL INSTRUMENTS RISKS CHARACTERISTICS AND NATURE (Continued)

	31.12.2010	31.12.2009
Assets	346	123
Liabilities	(174,461)	(72,073)
Net Foreign Currency	**(174,115)**	**(71,950)**

31.12.2010

	TL Equivalent	USD	EURO	GBP
1. Trade receivables	--	--	--	--
2a. Monetary financial assets (including cash and	346	149	39	15
bank accounts)	--	--	--	--
2b. Non-monetary financial assets	--	--	--	--
3. Other	--	--	--	--
4. Current assets (1+2+3)	346	149	39	15
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)	346	149	39	15
10. Trade payables	--	--	--	--
11. Financial liabilities	83,247	53,827	15	--
12a. Other monetary liabilities	--	--	--	--
12b. Other non-monetary liabilities	--	--	--	--
13. Short term liabilities (10+11+12)	83,247	53,827	15	--
14. Trade payables	66	43	--	--
15. Financial liabilities	91,148	58,956	1	--
16a. Other monetary liabilities	--	--	--	--
16b. Other non-monetary liabilities	--	--	--	--
17. Long term liabilities (14+15+16)	91,214	58,999	1	--
18. Total liabilities (13+17)	174,461	112,826	16	--
19. Off balance sheet derivative instruments/net	--	--	--	--
assets (liabilities) position (19a-19b)	--	--	--	--
19a. Total asset amount of hedge	--	--	--	--
19b. Total liabilities amount of hedge	--	--	--	--
20. Net foreign currency position	--	--	--	--
(9-18+19)	(174,115)	(112,677)	23	15
21. Monetary net foreign currency position /	--	--	--	--
(UFRS 7.B23)	--	--	--	--
(=1+2a+5+6a-10-11-12a-14-15-16a)	--	--	--	--
22. Total fair value of financial	--	--	--	--
instruments for hedge	--	--	--	--
23. Exports	--	--	--	--
24. Imports	--	--	--	--

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

NOTE 38 - FINANCIAL INSTRUMENTS RISKS CHARACTERISTICS AND NATURE (Continued)

31.12.2009

	TL Equivalent	**USD**	**EURO**	**GBP**
1. Trade receivables	--	--	--	--
2a. Monetary financial assets (including cash and	123	39	12	16
bank accounts)	--	--	--	--
2b. Non-monetary financial assets	--	--	--	--
3. Other	--	--	--	--
4. Current assets (1+2+3)	123	39	12	16
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)	123	39	12	16
10. Trade payables	--	--	--	--
11. Financial liabilities	39,240	26,061	--	--
12a. Other monetary liabilities	--	--	--	--
12b. Other non-monetary liabilities	--	--	--	--
13. Short term liabilities (10+11+12)	39,240	26,061	--	--
14. Trade payables	--	--	--	--
15. Financial liabilities	32,833	21,717	62	--
16a. Other monetary liabilities	--	--	--	--
16b. Other non-monetary liabilities	--	--	--	--
17. Long term liabilities (14+15+16)	32,833	21,717	62	--
18. Total liabilities (13+17)	72,073	47,778	62	--
19. Off balance sheet derivative instruments/net	--	--	--	--
assets (liabilities) position (19a-19b)	--	--	--	--
19a. Total asset amount of hedge	--	--	--	--
19b. Total liabilities amount of hedge	--	--	--	--
20. Net foreign currency position	--	--	--	--
(9-18+19)	(71,950)	(47,739)	(50)	16
21. Monetary net foreign currency position /	--	--	--	--
(UFRS 7.B23)	--	--	--	--
(=1+2a+5+6a-10-11-12a-14-15-16a)	--	--	--	--
22. Total fair value of financial	--	--	--	--
instruments for hedge	--	--	--	--
23. Exports	--	--	--	--
24. Imports	--	--	--	--

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

NOTE 38 - FINANCIAL INSTRUMENTS RISKS CHARACTERISTICS AND NATURE (Continued)

Foreign currency sensitivity analyzing table

31.12.2010	Profit/(Loss)		Equity	
	Foreign currency valuation	Foreign currency depreciation	Foreign currency valuation	Foreign currency depreciation
If USD change 10% against TL				
1- USD net assets/liabilities	(17,420)	17,420	(17,420)	17,420
2- Hedging part of USD risk (-)	--	--	--	--
3-USD net effect (1+2)	(17,420)	17,420	(17,420)	17,420
If EUR change 10% against TL				
4- EUR net assets/liabilities	5	(5)	5	(5)
5- Hedging part of EUR risk (-)	--	--	--	--
6- EUR net effect (4+5)	5	(5)	5	(5)
If other foreign exchange rate change 10% against TL				
7- GBP net assets/liabilities	2	(2)	2	(2)
8- Hedging part of GBP risk (-)	--	--	--	--
9- GBP net effect (7+8)	2	(2)	2	(2)
Total (3+6+9)	**(17,413)**	**17,413**	**(17,413)**	**17,413**

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

NOTE 38 - FINANCIAL INSTRUMENTS RISKS CHARACTERISTICS AND NATURE (Continued)

Foreign currency sensitivity analyzing table

31.12.2009	Profit/(Loss)		Equity	
	Foreign currency valuation	Foreign currency depreciation	Foreign currency valuation	Foreign currency depreciation
If USD change 10% against TL				
1- USD net assets/liabilities	(7,188)	7,188	(7,188)	7,188
2- Hedging part of USD risk (-)	--	--	--	--
3-USD net effect (1+2)	(7,188)	7,188	(7,188)	7,188
If EUR change 10% against TL				
4- EUR net assets/liabilities	(11)	11	(11)	11
5- Hedging part of EUR risk (-)	--	--	--	--
6- EUR net effect (4+5)	(11)	11	(11)	11
If other foreign exchange rate change 10% against TL				
7- GBP net assets/liabilities	2	(2)	2	(2)
8- Hedging part of GBP risk (-)	--	--	--	--
9- GBP net effect (7+8)	2	(2)	2	(2)
Total (3+6+9)	**(7,197)**	**7,197**	**(7,197)**	**7,197**

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

NOTE 38 - FINANCIAL INSTRUMENTS RISKS CHARACTERISTICS AND NATURE (Continued)

Capital risk management

The Group's capital management objectives are to ensure the Group's ability to continue its operations, and to increase profitability by keeping balance between equity and liabilities.

The Group monitors capital on the basis of the carrying amount of equity plus its total of current and non-current borrowings (net debt) less cash and cash equivalents as presented on the face of the consolidated balance sheet.

The Group sets the amounts of capital in proportion to its overall financing structure i.e. equity and financial liabilities. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure the Group may adjust the amount of dividends paid to the shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group's capital to overall or financing ratio developed as follows:

	31.12.2010	**31.12.2009**
Total debt	239,766	136,821
Cash and cash equivalents	(36,539)	(33,662)
Net debt	203,227	103,159
Total equity	153,169	138,379
Overall financing	356,396	241,538
Net Debt/Overall financing	0.57	0.43

Fair value of financial instruments

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

The estimated fair values of financial instruments have been determined by the Group using available market information, management's judgment and appropriate valuation methodologies. 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 such market data. The fair values of the remaining financial instruments of the Group can only be estimated. The estimates presented herein are not necessarily indicative of the amounts the Group could realize in a current market exchange.

The following methods and assumptions were used to estimate the fair value of the Group's financial instruments:

NOTE 38 - FINANCIAL INSTRUMENTS RISKS CHARACTERISTICS AND NATURE (Continued)

Monetary assets
The foreign exchange type of the exchange rates of the reasonable 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 shown as cash and values similar to cash, are short term and are therefore predicted as equal to reasonable value.

The recorded values of the trade receivables, in relation to the value decrease is predicted to reflect the reasonable value.

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

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

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

The carrying value of trade payables along with the related allowance for unrealized cost is estimated to be their fair values.

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

NOTE 39 - FINANCIAL INSTRUMENTS: DISCLOSURES (FAIR VALUE DISCLOSURES AND HEDGE ACCOUNTING DISCLOSURES)

The carrying value of the Company's financial instruments approximate their fair value. The Company does not have any speculative financial instruments and does not have any activity for speculative purposes with purchase and sale of financial instruments.

Financial risk management objectives
The Company's finance department function provides services to the business, coordinates access to domestic and international markets, monitors and manages the financial risks arising from the Company's operations through internal operations reports which analyses exposures by degree and magnitude of risk. These risks include market risk (including currency risk, fair value interest rate risk and price risk) credit risk, liquidity risk.

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

NOTE 40- POST BALANCE SHEET EVENTS

a. On 20 and 21 January 2011 the share capital of the Company was increased from TL 121,120 to 134,620 by issuing new shares amounting TL 13,500 and sale of existing shares by Kiler Holding A.Ş. amounting TL 6,693 totaling a sale of shares amounting TL 20,193 with a restriction of pre-emptive rights in the primary market in Istanbul Stock Exchange. The new share capital of the Company consists of 134,620,000 shares, TL 12,000 for TL 1 each and comprise of 12,000,000 shares are A group shares and TL 122,620 which comprise of 122,620,000 shares are B group shares.

All of publically offered shares amounting TL 20,193 are registered shares with no special privileges.

After IPO the share capital of the Company is shown below:

		Share Amount		
	Percentage (%)	**A Group**	**B Group**	**Total Share**
Kiler Holding A.Ş.	38.57	5,808	46,121	51,929
Ümit Kiler	14.67	1,956	17,787	19,743
Nahit Kiler	14.67	1,956	17,787	19,743
Vahit Kiler	14.67	1,956	17,787	19,743
Quoted shares	15.00	--	20,193	20,193
Other	2.43	324	2,945	3,269
		12,000	**122,620**	**134,620**

b. The group liquidated 2 stores after 31.12.2010 and opened 11 new stores.

After the balance sheet date the Group is planning the opening of 8 new stores, as of 31.12.2010 lease agreements of 6 stores are organized and 2 stores are purchased.

c. According to the contract signed on 16.12.2010 between the shareholders of the Group and Akbank T.A.Ş, after the IPO 15% pledge of share were cancelled and pledge of share ratio was decreased from 81% to 66%.

According share capital amounting TL 134,620, 9,738,436 A group and 79,110,764 B group shares totally 88,849,200 shares (which comprise 66% of Kiler Alışveriş's total share capital) are pledged for a first degree on behalf of the lender for the principal loan amount and any type of accrual in terms of interest and expense.

d. On 03.02.2011 after acquiring shares from Canerler family, the shareholding percentage on Kiler Ankara was increased from %47 to 95.92% (Note 41.c).

e. Severance payment ceiling increased as of 01.01.2011 from TL 2,517.01/per year to TL 2,623.23/per year.

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

NOTE 41 - OTHER MATTERS THAT MAY HAVE A MATERIAL EFFECT ON, OR PREVENT THE CLEAR UNDERSTANDING OF THE CONSOLIDATED FINANCIAL STATEMENTS

a. The board of directors meeting of Kiler Alışveriş as of 22.09.2010 with decision number 192, decided that the capital will be increased to TL 139,300 by a cash injection and to represent Group B shareholders 18,180,000 ordinary bearer shares of class B amounting TL 18,180 will be issued.

b. According to the share purchase agreement of Kiler Ankara and the protocol regarding the partnership dated from 20.09.2005 between the Canerler Group and Kiler Alışveriş including Ümit Kiler, Nahit Kiler, and Vahit Kiler, the shareholders of Kiler Group would not be allowed to sell down their shares at Kiler Alışveriş to any other third party, grant pledges and exercise usufruct rights without being independent of Kiler Ankara.

Within the general board of directors meeting of Kiler Ankara dated from 01.10.2010 and registered as of 04.10.2010 and published on the date of 07.10.2010 with decision number 7664 on the Turkish Commercial Register Newspaper, it has been discussed in the general assembly of Kiler Ankara dated 1 October 2010 that whether to start the Kiler Alışveriş IPO, pledging of and granting of the usufruct rights of Kiler Alışveriş shares (if needed) would constitute a problem for Kiler Ankara. Then approval decision for further implementation of IPO is taken unanimously based on the justification that these issues, ***i.e*** Kiler Alışveriş IPO, pledging of shares or creating usufruct rights over the Kiler Alışveriş shares do not raise any concern in relation to the interests of Kiler Ankara. However, there is a dissenting opinion of the Class B shareholders.

c. Based on the Extraordinary General Assembly of Shareholders of Kiler Ankara dated from 09.11.2010 and registered as of 10.11.2010 and published on the Turkish Commercial Register Newspaper on the date of 15.11.2010 with decision number 7690 and based on the Company's Articles of Association numbered 7; it has been unanimously decided that 1,800,000,000 units of B group shares owned by Kadir Caner will be transferred to Kiler Alışveriş, 600,000,000 units of B group shares owned by Ahmet Caner will be transferred to Kiler Alışveriş, 540,000,000 units of B group shares owned İsmail Caner will be transferred to Kiler Alışveriş and 60,000,000 units of B group shares owned by İsmail Caner will be transferred to Kiler Holding A.Ş.

On 03.02.2011 the share transfer process has been completed according terms of share purchase agreement. For the remaining balance amounting TL 50, 5,000,000 shares will transfer with condition promise to sell and usufructuary right.

As of 03.02.2011 the share capital of Kiler Ankara is shown below:

	Percentage (%)	Share Amount
Kiler Alışveriş Hizmetleri Gıda San. ve Tic. A.Ş.	95.92	57,551
Kiler Holding A.Ş.	1.00	599
Ümit Kiler	1.00	600
Nahit Kiler	1.00	600
Vahit Kiler	1.00	600
Kadir Caner	0.05	30
Ahmet Caner	0.02	10
İsmail Caner	0.02	10
		60,000