KİLER ALIŞVERİŞ HİZMETLERİ GIDA SANAYİ VE TİCARET A.Ş.

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AT 30 JUNE 2014 TOGETHER WITH INDEPENDENT AUDITOR'S REVIEW REPORT

KİLER ALIŞVERİŞ HİZMETLERİ GIDA SANAYİ VE TİCARET A.Ş.
REVIEW REPORT AS OF AND FOR THE PERIOD ENDED
01.01.-30.06.2014

To the Shareholders and to the Board of Directors of
Kiler Alışveriş Hizmetleri Gıda Sanayi ve Ticaret A.Ş

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Kiler Al ışveriş Hizmetleri Gıda Sanayi ve Ticaret A.Ş. and its subsidiaries (together the "Group"), as of 30.06.2014 and the related interim condensed consolidated statement of profit or loss, interim condensed consolidated statement of other comprehensive income, interim condensed consolidated changes in equity and interim condensed consolidated cash flows for the six-month period then ended, and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and fair presentation of this interim financial information in accordance with Turkish Accounting Standards. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, "Limited Review of Interim Financial Information Performed by the Independent Auditor of the Entity".A review of interim condensed consolidated financial information consists of making inquiries,primarily of persons responsible for financial reporting process, and applying analytical and other review procedures. A review of interim condensed consolidated financial information is substantially less in scope than an independent audit performed in accordance with the Turkish Independent Auditing Standards and the objective of which is to express an opinion on the financial statements. Consequently, a review on the interim condensed consolidated financial information does not provide assurance that the audit firm will be aware of all significant matters which would have been identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention which may cause us to conclude that the accompanying interim condensed consolidated financial information of Kiler Al ışveriş Hizmetleri Gıda Sanayi ve Ticaret A.Ş. does not give a true and fair view of financial position and financial performance of Kiler Al ışveriş Hizmetleri Gıda Sanayi ve Ticaret A.Ş. as of 30 June 2014, and its cash flows for the six-month period then ended in accordance with Turkish Accounting Standards.

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

Emre Halit
Partner

Istanbul, 19.08.2014

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CONSOLIDATED FINANCIAL POSITION AT 30.06.2014 AND 31.12.2013

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

	Note	Reviewed 30.06.2014	Audited 31.12.2013
ASSETS			
Current Assets			
Cash and cash equivalents	4	104.989	36.360
Financial investments	5	--	184
Trade receivables			
- Trade receivables from related parties	24	2.488	1.827
- Trade receivables from third parties	7	2.808	1.874
Other receivables			
- Other receivables from related parties	24	64.425	45.149
- Other receivables from third parties	8	2.204	1.945
Inventories	9	379.506	345.843
Prepaid expenses	16	18.600	15.225
Other current assets		915	750
Total current assets		**575.935**	**449.157**
Non-current assets			
Financial investments	5	54	54
Investment property	10	65.851	65.851
Property, plant and equipment	11	132.805	140.683
Intangible assets			
- Goodwill	13	70.509	70.509
- Other intangible assets	12	469	532
Deferred tax assets	22	16.937	14.455
Prepaid expenses	16	7.601	1.716
Total non-current assets		**294.226**	**293.800**
TOTAL ASSETS		**870.161**	**742.957**

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

KİLER ALIŞVERİŞ HİZMETLERİ GIDA SANAYİ VE TİCARET A.Ş.
STATEMENTS OF INTERIM CONDENSED
CONSOLIDATED FINANCIAL POSITION AT 30.06.2014 AND 31.12.2013

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

	Note	**Reviewed 30.06.2014**	**Audited 31.12.2013**
LIABILITIES			
Current liabilities			
Financial liabilities	6	70.399	222.617
Short term portion of long term financial liabilities	6	67.406	22.277
Trade payables			
-Trade payables to related parties	24	4.203	5.443
- Trade payables to third parties	7	243.534	224.140
Other payables			
- Other payables to related parties	24	1.200	3.970
- Other payables to third parties	8	288	5.736
Deferred Income		1.338	55
Provisions			
- Other provisions	14.a	8.452	9.551
Employee benefit obligations	15.a	7.991	8.273
Other current liabilities		1.431	2.610
Total current liabilities		**406.242**	**504.672**
Non- current liabilities			
Financial liabilities	6	261.501	19.563
Long-term provisions			
- Provision for employment termination benefits	15.b	7.748	7.708
Deferred tax liability	22	19.910	17.889
Total non-current liabilities		**289.159**	**45.160**
EQUITY			
Equity attributable to owners of the parent			
Paid in capital	17.a	134.620	134.620
Share premium	17.b	66.150	66.150
Other comprehensive income / loss not to be reclassified to profit or loss			
- Actuarial gain/loss arising from defined benefit plans	17.c	(2.293)	(2.814)
- Revaluation reserve	17.d	14.402	14.416
- Other gain/loss	17.e	5.156	5.156
General reserves	17.f	(24.671)	636
Net profit (loss) for the period		(18.700)	(25.321)
Non-controlling interests		**96**	**282**
Total equity		**174.760**	**193.125**
Total liabilities and equity		**870.161**	**742.957**

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

KİLER ALIŞVERİŞ HİZMETLERİ GIDA SANAYİ VE TİCARET A.Ş.
STATEMENTS OF INTERIM CONDENSED
CONSOLIDATED PROFIT OR LOSS
FOR THE PERIODS ENDED 30.06.2014 AND 30.06.2013

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

	Note	Reviewed 01.01.- 30.06.2014	Reviewed 01.01.- 30.06.2013	01.04.- 30.06.2014	01.04.- 30.06.2013
Revenue	18	490.776	477.886	250.963	250.371
Cost of sales	18	(372.605)	(354.879)	(193.338)	(182.893)
Gross profit		**118.171**	**123.007**	**57.625**	**67.478**
Marketing and selling expenses (-)		(87.752)	(89.225)	(44.414)	(45.290)
General and administrative expenses (-)		(17.912)	(18.166)	(8.887)	(9.623)
Other operating income		3.086	2.003	524	1.166
Other operating expenses(-)		(18.434)	(4.952)	(13.667)	(2.735)
Operating profit / (loss)		**(2.841)**	**12.667**	**(8.819)**	**10.996**
Income from investment activities		386	440	259	184
Expenses from investment activities (-)		--	(91)	--	(80)
Operating income / (loss) before financial expense		**(2.455)**	**13.016**	**(4.966)**	**11.100**
Financial income	20	19.630	4.341	14.358	2.511
Financial expense (-)	21	(36.663)	(28.408)	(7.092)	(17.952)
Loss before tax from continuing operations		**(19.488)**	**(11.051)**	**(1.294)**	**(4.341)**
Taxation on profit from continuing operations					
Tax charge for the period (-)		--	--	--	193
Deferred tax income /(expense)	22	592	(791)	1.436	(1.659)
Profit / (loss) from continuing operations		**(18.896)**	**(11.842)**	**142**	**(5.807)**
Net profit/ (loss) attributable to					
Non-controlling interests		(196)	(40)	(233)	40
Equity holders of the Parent		(18.700)	(11.802)	375	(5.847)
Earnings per share	23	**(0,14)**	**(0,09)**	**0,00**	**(0,04)**

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

KİLER ALIŞVERİŞ HİZMETLERİ GIDA SANAYİ VE TİCARET A.Ş.
STATEMENTS OF INTERIM CONDENSED CONSOLIDATED
OTHER COMPREHENSIVE INCOME
FOR THE PERIODS ENDED 30.06.2014 AND 30.06.2013

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

	Reviewed	**Reviewed**		
	01.01.- 30.06.2014	**01.01.- 30.06.2013**	**01.04.- 30.06.2014**	**01.04.- 30.06.2013**
Profit/ (loss) for the period	**(18.896)**	**(11.842)**	**142**	**(5.807)**
Other comprehensive income items not to be reclassified to profit or loss in subsequent periods				
-Actuarial gain(loss)	664	(512)	(247)	61
- Tax effects	(133)	102	49	(12)
Other comprehensive income (loss)	**531**	**(410)**	**(198)**	**49**
Total comprehensive loss	**(18.365)**	**(12.252)**	**(56)**	**(5.758)**
Attributable to				
Non-controlling interests	(186)	(49)	(244)	41
Equity holders of the Parent	(18.179)	(12.203)	188	(5.799)

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

KİLER ALIŞVERİŞ HİZMETLERİ GIDA SANAYİ VE TİCARET A.Ş.
STATEMENTS OF INTERIM CONDENSED CONSOLIDATED CHANGES IN EQUITY
FOR THE PERIODS ENDED 30.06.2014 AND 30.06.2013

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

			Items that will not be reclassified subsequently to profit or loss			Retained earnings				
	Share capital	Share premium	Actuarial gain / loss	Revaluation gain /losses	Other gains / losses	Accumulated profit / loss	Net profit / loss	Attributable to owners of the parent	Non-controlling interest	Total equity
Balances at 01.01.2013	**134.620**	**66.150**	**--**	**14.441**	**5.156**	**(7.647)**	**5.664**	**218.384**	**463**	**218.847**
Reclassification effect-TAS 19 , note 2.7	--	--	**(2.594)**	--	--	**1.644**	**950**	--	--	--
Transfers	--	--	--	--	--	6.614	(6.614)	--	--	--
Depreciation on buildings measured with fair value	--	--	--	(13)	--	13	--	--	--	--
Total comprehensive income (loss)	--	--	(401)	--	--	--	(11.802)	**(12.203)**	(49)	**(12.252)**
Balances at 30.06.2013	**134.620**	**66.150**	**(2.995)**	**14.428**	**5.156**	**624**	**(11.802)**	**206.181**	**414**	**206.595**
Balances at 01.01.2014	**134.620**	**66.150**	**(2.814)**	**14.416**	**5.156**	**636**	**(25.321)**	**192.843**	**282**	**193.125**
Transfers	--	--	--	--	--	(25.321)	25.321	--	--	--
Depreciation on buildings measured with fair value	--	--	--	(14)	--	14	--	--	--	--
Total comprehensive income (loss)	--	--	521	--	--	--	(18.700)	**(18.179)**	(186)	**(18.365)**
Balances at 30.06.2014	**134.620**	**66.150**	**(2.293)**	**14.402**	**5.156**	**(24.671)**	**(18.700)**	**174.664**	**96**	**174.760**

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

KİLER ALIŞVERİŞ HİZMETLERİ GIDA SANAYİ VE TİCARET A.Ş.
STATEMENTS OF INTERIM CONDENSED CONSOLIDATED CASH FLOWS
FOR THE PERIODS ENDED 30.06.2014 AND 30.06.2013

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

	Note	Reviewed 01.01.- 30.06.2014	Reviewed 01.01.- 30.06.2013
A. Cash Flows From Operating Activities			
Loss for the period		**(18.896)**	**(11.842)**
Depreciation expenses	11	8.732	8.562
Amortisation expenses	12	78	85
Adjustments to the profit (loss) on sale of property, plant and equipment		(359)	(349)
Provision for employment termination benefits	15.b	1.189	724
Provision for doubtful receivables		32	27
Adjustment to other provision expenses		(1.099)	(676)
Interest expense	21	28.057	15.484
Interest income	20	(4.541)	(2.304)
Unearned interest on receivables		24	(362)
Unearned interest on payables		(68)	(680)
Tax income / expense		(594)	791
Operating income before changes in assets and liabilities related with operating activities		**12.555**	**9.460**
Adjustment to increase / decrease in trade receivables		(1.663)	2.445
Adjustment to increase / decrease in trade payables		18.222	26.643
Adjustment to increase / decrease in inventories		(33.663)	(11.237)
Adjustment to increase / decrease in other receivables		(19.523)	(5.103)
Adjustment to prepaid expenses		(9.260)	(18.919)
Adjustment to increase / decrease in other assets		(165)	822
Adjustment to increase / decrease in other liabilities		(1.461)	2.807
Adjustment to increase / decrease in other payables		(8.218)	(2.644)
Adjustment to increase / decrease in deferred income		1.283	(112)
Payment of employee termination benefits	15.b	(1.217)	(1.034)
Net cash provided from operating activities		**(43.110)**	**3.128**
B. Cash flows from investing activities			
Purchase of property, plant and equipment	11	(1.167)	(4.521)
Purchase of intangible assets	12	(15)	(17)
Sale of property, plant and equipment and intangible assets		672	833
Changes in financial investments, net		184	(378)
Net cash provided by investing activities		**(326)**	**(4.083)**
C. Cash flows from financing activities			
Proceeds from borrowings		356.911	90.403
Repayment of borrowings		(222.062)	(75.886)
Interest paid		(27.325)	(10.609)
Interest received		4.541	2.304
Net cash provided in financing activities		**112.065**	**6.212**
Net increase/decrease in cash and cash equivalents (A+B+C)		**68.629**	**5.257**
D. Cash and cash equivalents at beginning of year		**36.360**	**43.016**
Cash and cash equivalents at end of period (A+B+C+D)	**4**	**104.989**	**48.273**

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

NOTE 1 – ORGANIZATION AND NATURE OF ACTIVITIES

Kiler Alışveriş Hizmetleri Gıda Sanayi ve Ticaret Anonim Şirketi ("Kiler" or "Kiler Alışveriş") was established in 1994 in Istanbul. Kiler is mainly engaged in retail and wholesale of essential goods. As at 30.06.2014, Kiler has 135 stores (31.12.2013: 140) and together with its consolidated subsidiary total number of stores is 201 (31.12.2013: 208).

As at 30.06.2014, Kiler has 3.295 employees (31.12.2013: 3.458).

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

In the accompanying interim condensed consolidated financial statements, Kiler Al ışveriş Hizmetleri Gıda Sanayi ve Ticaret A.Ş. is referred to as ("the Company'') and together with the subsidiary is referred to as ("the Group'').

Kiler Ankara Mağazacılık Sanayi ve Ticaret A.Ş.
Kiler Ankara Mağazacılık Sanayi ve Ticaret A.Ş. ("Kiler Ankara"), was established in Ankara under the name of Canerler Gıda San. ve Tic. A.Ş. and is engaged in retail sale. In 2005 47% of the shares of Canerler G ıda (new name Kiler Ankara) were sold to the Kiler Alışveriş. In 2011 Kiler Alışveriş is purchased shares from Canerler family again and the percentage is increased from 47% to 96%. As at 30.06.2014, there were 67 stores in Ankara (under the banner of Kiler) (31.12.2013:68).

As at 30.06.2014, the number of personnel employed was 1.579 (31.12.2013: 1.661).

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

Approval of financial statements
The interim condensed consolidated financial statements for the period ended 30 June 2014 were approved by the Board of Directors on 19.06.2014.

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

2.1. Basis of Presentation

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

The Group prepared its interim condensed consolidated financial statements for the period ended 30.06.2014, in accordance with TAS 34 "Interim Financial Reporting" in the framework of the Communiqué Serial II No: 14.1 and its related announcements. The interim condensed consolidated financial statements and its accompanying notes are presented in compliance with the format recommended by CMB, including its mandatory information.

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

In compliance with the TAS 34, entities have preference in presenting their interim consolidated financial statements whether full set or condensed. In this framework , Group preferred to present its interim consolidated financial statements in condensed.

Group's interim condensed consolidated financial statement does not include all disclosures and notes that should be included at year-end financial statements. Therefore the interim condensed consolidated financial statement should be read in conjunction with the year-end financial statements.

Groups and its sunsidiaries operating in Turkey, maintains its accounting records and prepares its statutory financial statements in accordance with The Turkish Commercial Code(the "TCC"), tax legislation and the uniform chart of accounts issued by the Ministry of Finance.The interim condensed consolidated financial statements,except for lands,buildings, investment properties and financial assets and liabilities with their fair values, are maintained under historical cost conversion in TL.These interim condensed consolidated financial statements are based on the statutory records,which are maintained under historical cost conversion, with the required adjustments and reclassifications reflected for the purpose of fair presentation in accordance with the TAS/TFRS.

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 interim condensed consolidated financial statements are presented by the Group's measurement and reporting currency "TL".

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

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

As of 30.06.2013, profit on sale of property,plant and equipment and positive difference in valuation of investment properties amounting to TL 440 ,which was accounted under "other operating income", was reclassified to "income from investment activities".

As of 30.06.2013 , loss on sale of property,plant and equipment and impairment of goodwill amounting to TL91, which was accounted under "other operating income", was reclassified to "expenses from investment activities".

2.5. Offsetting

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

2.6. Basis of consolidation

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

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

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.

The condensed consolidated subsidiary is detailed below:

	Economic interest (%)		Ownership interest rate (%)	
Consolidated company	**30.06.2014**	**31.12.2013**	**30.06.2014**	**31.12.2013**
Kiler Ankara Mağazacılık Sanayi ve Ticaret A.Ş.	96	96	96	96

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

The effect of a change in accounting policy is applied retrospectively and prior period financial statements are issued again. If the changes in accounting estimation are in accordance with only one period, it is carried out in the same changing period but if the changes are in accordance with forward periods, it is carried out in the changing period and for forward periods.
The group measured its investment properties and its land and buildings with cost method until 31.12.2009. On 31.12.2009 the Group chooses to measure its investment properties and land and buildings with fair value method.

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

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

2.8. 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.(note 7, 8 and 16)

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

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

- Property, plant and equipment and intangible assets held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. 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.

- The Group performs impairment tests on goodwill annually at 31 December. The recoverable amount of the cash generating unit has been determined based on the fair value less costs to sell calculations. Those calculations are based on discounted net cash flow after tax projections which are based on the Group's five-year business plans (note 2.9).

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.

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 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:

	Year
Buildings	50
Machinery and equipment	10-20
Vehicles	7–14
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.

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

	Year
Other intangible assets	2-14

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.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, 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 based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognized directly in profit or loss in the consolidated income statement. An impairment loss recognized for goodwill is not reversed in subsequent periods.

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.

Bank borrowings

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

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.

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.

	30.06.2014	**31.12.2013**
USD	2,1234	2,1343
EUR	2,8919	2,9365
GBP	3,6094	3,5114

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

Financial 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.

Related Parties

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

Subsequent 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.

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 IFRIC 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 IFRIC 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 are 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.

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

The accounting policies, which are basis of presentation of financial statements for the financial period ending at 30 June 2014, are consistent with TFRS and interpretation of the previous financial year except for the new standards and interpretation adopted in the periods beginning on 01January 2014. The effects of these standards and interpretations on Group's financial position and performance are summarized in below related paragraphs.

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

- TFRS 9 " Financial Instruments – Classification and measurement"

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

- IFRS 9 Financial Instruments- Hedge Accounting and amendments to IFRS 9, IFRS 7 and IAS 39-IFRS 9 (2013)
- IAS 19 (Amendment) "Employee Benefits"
- IAS 16 and IAS 38- Clarification of Acceptable Methods of Depreciation and Amortisation(Amendments to IAS and IAS 38)
- IFRS 15- Revenue from Contracts with Customers
- Improvements IFRSs 2010-2012
- Improvements IFRSs 2011-2013

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

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

NOTE 3- SEGMENT REPORTING

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

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

NOTE 4 - CASH AND CASH EQUIVALENTS

	30.06.2014	31.12.2013
Cash	14.066	14.798
Banks		
-Time deposit	17.172	--
- Demand deposit	39.797	2.082
Credit card receivables	33.954	19.480
	104.989	**36.360**

As of 30.06.2014, the maturity date of time deposit is 03.07.2014. The interest rates for time deposits vary 1,25%. (31.12.2013: None)

NOTE 5 - FINANCIAL INVESTMENTS

Short term financial investments - available for sale		
Financial certificate	**--**	**184**

	Percentage %		Amount	
	30.06.2014	**31.12.2013**	**30.06.2014**	**31.12.2013**
Long term financial investments				
KBC Gıda Sanayi Ticaret Limited Şirketi	10,85	10,85	**54**	**54**

NOTE 6 - FINANCIAL LIABILITIES

	30.06.2014	31.12.2013
Current		
Bank loans		
- TL bank loans	51.223	121.965
- USD bank loans	19.176	100.528
- EUR bank loans	--	124
	70.399	**222.617**
Short term portion of long term financial liabilities		
Bank loans		
- TL bank loans	12.724	8.262
- USD bank loans	53.231	12.429
Leasing payables		
- TL bank loans	1.451	1.586
	67.406	**22.277**
Non-current		
Bank loans		
- TL bank loans	29.946	653
- USD bank loans	231.238	17.945
Leasing payables		
- TL bank loans	317	965
	261.501	**19.563**

The maturity schedule of financial liabilities is given below:

0 - 3 months	49.384	83.036
3- 12 months	88.421	161.858
1-2 months	78.122	12.426
2-3 months	69.175	7.137
3-4 months	110.693	--
4-5 months	3.511	--
	399.306	**264.457**

As of 30.06.2014 average effective rates are 12,31% for financial liabilities denominated in TL (31.12.2013: 12,06%), 5,25% for financial liabilities denominated in USD (31.12.2013: 5,34%) and there is no financial liabilities denominated in EUR (31.12.2013:3,60%).

On 23.01.2014, Kiler Alışveriş Hizmetleri Gıda Sanayi ve Ticaret A.Ş. had signed a syndication loan agreement with Bank of America via Fibabank amounting to USD 120.000.000 with a maturity of 4 years. The annual interest rate of the loan is libor+ 4,5%.

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

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

NOTE 7 - TRADE RECEIVABLES AND PAYABLES

	30.06.2014	31.12.2013
Current		
Trade receivables		
- Third parties	3.317	2.358
- Related parties (note 24)	2.559	1.860
Notes receivable		
- Third parties	241	236
	6.117	4.454
Unearned interest on receivables (-)		
- Third parties	(55)	(69)
- Related parties (note 24)	(71)	(33)
Provision for doubtful receivables (-)	(695)	(651)
	5.296	**3.701**

Movement of doubtful receivables is given below:

	01.01.-30.06.2014	01.01.-30.06.2013
Opening balance, 01 January	**651**	**648**
Charge for the period	44	--
Doubtful receivables written-off (-)	--	(42)
Closing balance, 30 June	**695**	**606**

Trade receivables from third parties maturity is listed below:

Overdue receivables	695	651
Up to 3 months	1.210	941
Between 3-6 months	1.653	1.002
	3.558	**2.594**

Trade receivables from related parties maturity is listed below:

Up to 3 months	110	1.393
Between 3-6 months	2.449	467
	2.559	**1.860**

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	30.06.2014	31.12.2013
Current		
Trade payables		
- Third parties	216.436	200.920
- Related parties (note 24)	2.709	4.115
Notes payable		
- Third parties	29.872	25.949
- Related parties (note 24)	1.542	1.401
Other trade payables	223	175
	250.782	232.560
Unearned interest on payables (-)		
- Third parties	(2.997)	(2.904)
- Related parties (note 24)	(48)	(73)
	247.737	**229.583**

Trade payables to third parties maturity listed below:

	30.06.2014	31.12.2013
Up to 3 months	240.217	211.939
Between 3-6 months	6.314	13.351
Between 6-12 months	--	1.754
	246.531	**227.044**

Trade payables to related parties maturity listed below:

	30.06.2014	31.12.2013
Up to 3 months	3.951	4.874
Between 3-6 months	300	642
	4.251	**5.516**

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NOTE 8 – OTHER RECEIVABLES AND PAYABLES

	30.06.2014	31.12.2013
Other current receivables		
- Third parties	4.605	4.358
- Related parties (note 24)	64.425	45.149
	69.030	49.507
Provision for doubtful receivables (-)	(2.401)	(2.413)
	66.629	**47.094**
Other current payables		
- Third parties	288	5.736
- Related parties (note 24)	1.200	3.970
	1.488	**9.706**

NOTE 9 – INVENTORIES

Raw materials	3.091	2.878
Merchandises	376.349	343.579
Other inventories	66	61
	379.506	346.518
Provision for diminution in value (-)	--	(675)
	379.506	**345.843**

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

NOTE 10- INVESTMENT PROPERTY

	31.12.2012	Disposals	Revaluation differences	31.12.2013	Disposals	Revaluation differences	30.06.2014
Land	1.556	(1.362)	41	235	--	--	235
Building	56.685	--	8.931	65.616	--	--	65.616
Net book value	**58.241**			**65.851**			**65.851**

Details of investment property are listed below:

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

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

			30.06.2014		31.12.2013	
Bank	Mortgage degree	Foreign currency type	Foreign currency amount	TL equivalent	Foreign currency amount	TL equivalent
Türkiye Halk Bankası A.Ş.	1	USD	--	--	22.500	48.022
Merrill Lynch	1	TL	27.355	27.355	--	--
Merrill Lynch	2	TL	29.330	29.330	--	--
Yapı Kredi Bankası A.Ş.	1	USD	--	--	16.500	35.216
Yapı Kredi Bankası A.Ş.	2	TL	--	--	11.250	11.250
Yapı Kredi Bankası A.Ş.	3	TL	--	--	3.750	3.750
Yapı Kredi Bankası A.Ş.	4	TL	--	--	15.000	15.000

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

NOTE 11 - PROPERTY, PLANT AND EQUIPMENT

	01.01.2014	Additions	Disposals	30.06.2014
Cost				
Land	40.959	--	--	40.959
Buildings	12.743	--	--	12.743
Machinery and equipment	3.732	--	--	3.732
Vehicles	15.989	388	(587)	15.790
Furniture and fixtures	140.406	389	--	140.795
Leasehold improvements	57.033	390	--	57.423
Machinery and equipment under financial leasing	2.953	--	--	2.953
Vehicles under financial leasing	380	--	(304)	76
Furniture and fixtures under financial leasing	5.961	--	--	5.961
	280.156	**1.167**	**(891)**	**280.432**
Accumulated depreciation				
Buildings	271	137	--	408
Machinery and equipment	2.541	119	--	2.660
Vehicles	8.434	793	(334)	8.893
Furniture and fixtures	96.930	5.025	--	101.955
Leasehold improvements	27.663	2.201	--	29.864
Machinery and equipment under financial leasing	1.061	120	--	1.181
Vehicles under financial leasing	288	11	(244)	55
Furniture and fixtures under financial leasing	2.285	326	--	2.611
	139.473	**8.732**	**(578)**	**147.627**
Net book value	**140.683**			**132.805**

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	01.01.2013	Additions	Disposals	30.06.2013
Cost				
Land	40.959	--	--	40.959
Buildings	12.743	--	--	12.743
Machinery and equipment	3.732	--	--	3.732
Vehicles	15.413	1.737	(854)	16.296
Furniture and fixtures	138.255	1.294	(184)	139.365
Leasehold improvements	54.546	1.490	(13)	56.023
Machinery and equipment under financial leasing	2.953	--	--	2.953
Vehicles under financial leasing	380	--	--	380
Furniture and fixtures under financial leasing	5.961	--	--	5.961
	274.942	**4.521**	**(1.051)**	**278.412**
Accumulated depreciation				
Buildings	--	138	--	138
Machinery and equipment	2.295	110	--	2.405
Vehicles	7.804	694	(481)	8.017
Furniture and fixtures	86.490	5.027	(85)	91.432
Leasehold improvements	23.493	2.128	(1)	25.620
Machinery and equipment under financial leasing	821	120	--	941
Vehicles under financial leasing	250	19	--	269
Furniture and fixtures under financial leasing	1.634	326	--	1.960
	122.787	**8.562**	**(567)**	**130.782**
Net book value	**152.155**			**147.630**

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

			30.06.2014		31.12.2013	
Bank	**Mortgage Degree**	**Foreign currency type**	**Foreign currency amount**	**TL equivalent**	**Foreign currency amount**	**TL equivalent**
Türkiye Finans Katılım Bankası A.Ş.	1	TL	25.000	25.000	25.000	25.000
Türkiye Halk Bankası A.Ş.	1	USD	22.500	47.777	22.500	48.022
Albaraka Türk Katılım Bankası A.Ş.	1	TL	20.000	20.000	20.000	20.000
Türkland Bank A.Ş.	1	TL	--	--	21.000	21.000
Merrill Lynch	1	TL	7.885	7.885	--	--
Merrill Lynch	2	TL	12.000	12.000	--	--

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

NOTE 12 – INTANGIBLE ASSETS

	01.01.2014	Additions	30.06.2014
Cost	2.063	15	2.078
Accumulated amortization (-)	(1.531)	(78)	(1.609)
Net book value	**532**		**469**

	01.01.2013	Additions	30.06.2013
Cost	1.955	17	1.972
Accumulated amortization (-)	(1.374)	(85)	(1.459)
Net book value	**581**		**513**

NOTE 13 – GOODWILL

	30.06.2014	31.12.2013
Kiler Ankara Mağazacılık Sanayi ve Ticaret A.Ş.	57.589	57.589
Kiler Trakya Mağazacılık Sanayi ve Ticaret A.Ş.	12.920	12.920
	70.509	**70.509**

Movement of goodwill is as follows:

	01.01.- 30.06.2014	01.01.- 30.06.2013
Opening balance as of 01 January	**70.509**	**72.985**
Goodwill impairment(-)	--	--
Closing balance, 30 June	**70.509**	**72.985**

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

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

NOTE 14 – PROVISIONS, COMMITMENTS AND CONTINGENCIES

14.a Other short-term provisions

	30.06.2014	31.12.2013
Provision of lawsuits	**8.452**	**9.551**

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

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

	01.01.-30.06.2014	01.01.-30.06.2013
Opening balance as of 01 January	**9.551**	**9.743**
Reversal of unnecessary provision (-)	(1.099)	(675)
Closing balance, 30 June	**8.452**	**9.068**

As of 30.06.2014, there are a total of 246 lawsuits and enforcement proceedings opened by the Company amounting to TL 4.601. There are a total of 634 lawsuits and enforcement proceedings which had been filed against the Company amounting to TL 8.452.

14.b Commitments and Contingencies

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

	30.06.2014		31.12.2013	
	USD	TL	USD	TL
A.On behalf of its own legal entity		184.934		198.522
-TL	137.157	137.157	115.284	115.284
-USD	22.500	47.777	39.000	83.238
B. On behalf of consolidated subsidiaries	--	--	--	--
C.CPM's given on behalf of third parties for ordinary course of business	--	--	--	--
D. Other CPM	--	--	--	398.802
i. Total amount of CPM's given on behalf of the majority shareholder	--	--	--	--
ii. Given on behalf of related parties except B and C	--	--	--	398.802
-TL	--	--	100.000	100.000
-USD	--	--	140.000	298.802
iii. Given on behalf of third parties except C	--	--	--	--
Total		**184.934**		**597.324**

As at 30.06.2014, the Group's CPM to equity ratio is 0% (31.12.2013: 206%)

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

NOTE 15- EMPLOYEE BENEFIT OBLIGATIONS AND PROVISIONS

15.a Employee benefit obligations

	30.06.2014	31.12.2013
Employee benefit obligations		
Payables to personnel	4.733	4.883
Social security deductions	3.258	3.390
	7.991	**8.273**

15.b Employee termination benefits

Provision for employee termination benefits	**7.748**	**7.708**

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

Severance payments are estimated based on 30 days gross salary for each year. The maximum price is TL/year 3.438,22 as of the related balance sheet date, 30.06.2014 (31.12.2013: TL/year 3.254,44).

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

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

The principal assumption is that the maximum liability for each year of service will increase in line with inflation. Thus, the discount rate applied represents the expected real rate after adjusting for the anticipated effects of future inflation. An expected inflation rate and appropriate discount rate should both be determined, the net of these being real discount rate. As of 30.06.2014 the liability for employment termination benefits was calculated based on an annual real discount rate of 1,96% (31.12.2013: an annual real discount rate of 1.96%) using estimated annual inflation rate of 7,40% and discount rate of 9,50%.

Provision for employee termination benefits movement is listed below:

	01.01.- 30.06.2014	01.01.- 30.06.2013
Opening balance as of 01 January	**7.708**	**6.572**
Current service cost	1.189	724
Interest cost	732	312
Actuarial gain/(loss)	(664)	512
Payments (-)	(1.217)	(1.034)
Closing balance, 30 June	**7.748**	**7.086**

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

NOTE 16– PREPAID EXPENSES

	30.06.2014	31.12.2013
Short-term prepaid expenses		
Prepaid expenses	8.317	4.927
Advances given for business purposes	6.977	6.861
Advances given	4.866	12.650
Advances given to related parties (note 24)	--	235
	20.160	24.673
Provision for advances given(-)	(1.560)	(9.448)
	18.600	**15.225**

	30.06.2014	31.12.2013
Long-term prepaid expenses		
Prepaid expenses	**7.601**	**1.716**

NOTE 17 – EQUITY

17.a Share capital

As of 30.06.2014 and 31.12.2013, the composition of shareholders and their respective percentage ownership are summarized as follows:

	Shareholding percentage (%)		Shareholding amount	
	30.06.2014	31.12.2013	30.06.2014	31.12.2013
Kiler Holding A.Ş.	38,57	38,57	51.929	51.929
Ümit Kiler	14,67	14,67	19.743	19.743
Nahit Kiler	14,67	14,67	19.743	19.743
Vahit Kiler	14,67	14,67	19.743	19.743
Shares held by public (BIST)	15,00	15,00	20.193	20.193
Other	2,42	2,42	3.269	3.269
	100	**100**	**134.620**	**134.620**

The capital of the Company as at 30.06.2014 was TL 134.620. This capital consisted of 134.620.000; TL 12.000 shares for TL 1 each and comprise of 12.000.000 shares are a group shares and TL 122.620 which comprise of 122.620.000 shares are B group shares.

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

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

Publically offered shares which represent TL 20.193 of the total share capital are registered and do not have any privileges.
In the extraordinary general assembly meeting dated from 15.09.2010, it has been decided that the articles of association of Kiler Alışveriş are amended such as that the registered authorized capital of the Company shall be worth of TL 500.000 consisting of 500.000.000 shares, TL 1 per each share, and the board of directors are authorized to increase the registered share capital between the years 2010 and 2014 up to the authorized level within the rules and regulations and of Capital Market Law.

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

(*i*) Privilege on voting right of Board of Directors;

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

(*ii)* Privilege on voting right of auditors;

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

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

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

The pledges on shares are summarized below:

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

The number of 8.538.436 shares representing Group A shareholders and the number of 60.117.764 shares representing Group B shareholders, totally 68.656.200 number of shares, 51% of total paid in capital amounting TL 134.620, were pledged in favour of Merill Lynch International regarding the syndication loan agreement signed by Kiler Al ışveriş Hizmetleri Gıda Sanayi ve Ticaret A.Ş.

17.b Share premium

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

	30.06.2014	**31.12.2013**
Share premium	**66.150**	**66.150**

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

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

17.c Actuarial gain / loss

	30.06.2014	31.12.2013
Actuarial gain / loss arising from defined benefit plans	**(2.293)**	**(2.814)**

17.d Revaluation gains

Revaluation gains of land and buildings	**14.402**	**14.416**

17.e Other gains / losses

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

17.f Accumulated profit / loss

Legal reserves	1.139	1.139
Extraordinary reserves	11.258	11.258
Previous years' profits (losses)	(37.068)	(11.761)
	(24.671)	**636**

NOTE 18– REVENUE AND COST OF SALES

	01.01-30.06.2014	01.01-30.06.2013	01.04-30.06.2014	01.04-30.06.2013
Retail and wholesales	429.499	417.742	223.072	219.207
Other	67.009	62.896	32.417	32.593
	496.508	480.638	255.489	251.800
Deductions (-)	(5.732)	(2.752)	(4.526)	(1.429)
Revenue	490.776	477.886	250.963	250.371
Cost of sales (-)	(372.605)	(354.879)	(193.338)	(182.893)
Gross profit	**118.171**	**123.007**	**57.625**	**67.478**

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

NOTE 19- NATURE OF EXPENSES

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

	01.01-30.06.2014	**01.01-30.06.2013**	**01.04-30.06.2014**	**01.04-30.06.2013**
Merchandises costs	372.513	354.848	193.292	183.832
Personnel expenses	46.164	43.359	23.128	21.691
Depreciation and amortization expense	8.810	8.647	4.524	4.499
Advertising expenses	3.124	4.404	1.867	2.055
Office expenses	11.106	13.429	6.144	7.121
Consulting expenses	953	580	456	212
Rent expenses	21.657	22.278	10.394	11.326
Motor vehicle expenses	3.912	4.196	1.993	2.337
Repair and maintenance expenses	2.065	2.613	1.162	1.374
Tax paid	1.311	1.674	586	707
Other	6.654	6.242	3.093	2.652
	478.269	**462.270**	**246.639**	**237.806**

NOTE 20-- FINANCIAL INCOME

Foreign exchange gain	15.089	2.037	10.829	1.646
Interest income	4.541	2.304	3.529	865
	19.630	**4.341**	**14.358**	**2.511**

NOTE 21-- FINANCIAL EXPENSE

Foreign exchange losses	8.237	12.212	2.656	9.954
Interest and bank commission expenses	28.057	15.484	4.263	7.593
Other	369	712	173	405
	36.663	**28.408**	**7.092**	**17.952**

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

NOTE 22—TAXATION ON INCOME

a) Current taxation

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

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

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

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

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

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

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

The computation of the statutory taxes for periods 30.06.2014 and 31.12.2013 is as follows:

	30.06.2014	31.12.2013
Financial position		
Current period tax expense	--	--
Deferred tax income (expense)	592	(791)
Total tax income (expense)	**592**	**(791)**

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

b) Deferred Tax

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

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

	Total temporary differences		**Deferred tax**	
	30.06.2014	**31.12.2013**	**30.06.2014**	**31.12.2013**
Unearned interest on receivables	126	102	24	20
Provision for employee termination benefits	7.748	7.708	1.550	1.542
Provision for doubtful receivables	10.543	11.814	2.109	2.363
Inventories	12.926	6.156	2.585	1.231
Cancellation of capitalized interest expense	2.369	3.053	474	611
Provision for legal cases	8.452	9.551	1.690	1.910
Taxable loss carried forward	32.164	32.164	6.433	6.433
Reconcilation differences	2.461	1.325	492	265
Bank loans	7.894	405	1.580	80
Unearned interest on payables	(3.045)	(2.978)	(608)	(596)
Revaluation difference on land, buildings and investment properties	(35.889)	(35.889)	(7.178)	(7.178)
Temprorary difference arising from restatement of non-monatary assets	(50.798)	(50.579)	(10.160)	(10.115)
Capitalized commission expenses	(9.820)	--	(1.964)	--
Deferred tax asset			16.937	14.455
Deferred tax liability			(19.910)	(17.889)
Deferred tax asset (liability), net			**(2.973)**	**(3.434)**

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

NOTE 23-- EARNINGS PER SHARE

	01.01.- 30.06.2014	01.01.- 30.06.2013	01.04.- 30.06.2014	01.04.- 30.06.2013
Net loss for the period	(18.896)	(11.842)	142	(5.807)
Non-controlling interests	196	40	233	(40)
Net profit (loss) attributable to shareholders	**(18.700)**	**(11.802)**	**375**	**(5.847)**
Weighted average number of outstanding ordinary shares	134.620.000	134.620.000	134.620.000	134.620.000
Earnings per share, TL full	**(0,14)**	**(0,09)**	**0,00**	**(0,04)**

NOTE 24-- RELATED PARTIES DISCLOSURES

Group has entered into several trade and non-trade transactions with its related parties. According to the Board of Directors' decision dated 30.07.2010 numbered 184, all receivables/debts given to/obtained from related parties are subject to interest.

a) Trade receivables from related parties	**30.06.2014**	**31.12.2013**
KBC Gıda Sanayi ve Ticaret Limited Şirketi	--	1.378
Kiler Gayrimenkul Yatırım Ortaklığı Anonim Şirketi	519	--
Denge Reklam Turizm İnşaat Emlak Gıda Elektrik Elektronik Sanayi ve Ticaret Limited Şirketi	1.233	108
Beyaz Çınar Yapı İnşaat Emlak Yönetim Hizmetleri Limited Şirketi	381	346
Sese Et Ürünleri ve Gıda Sanayi Ticaret Limited Şirketi	204	7
Other	222	21
	2.559	1.860
Unearned interest on receivables (-)	(71)	(33)
	2.488	**1.827**

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

b) Trade payables to related parties	**30.06.2014**	**31.12.2013**
Current accounts		
Kiler Gayrimenkul Yatırım Ortaklığı Anonim Şirketi	33	1.854
KBC Gıda Sanayi Ticaret Limited Şirketi	1.167	172
Bağcı Sebze Meyve Tarım Ürünleri ve Su Ürünleri Hayvancılık Soğuk Hava Depoculuğu Ticaret Anonim Şirketi	645	619
Other	864	1.470
Notes payable		
Ümit Kiler Sebze Meyve Komisyoncusu	1.542	1.401
	4.251	5.516
Unearned interest on payables (-)	(48)	(73)
	4.203	**5.443**

c) Other receivables from related parties

Kiler Holding Anonim Şirketi	54.818	7.012
Doğu Aras Enerji Yatırımları Anonim Şirketi	--	32.859
Ümit Kiler	4.623	3.003
Nahit Kiler	3.591	1.325
Vahit Kiler	733	608
Other	660	342
	64.425	**45.149**

d) Other payables to related parties

Ümit Kiler	418	1.020
Kiler Holding Anonim Şirketi	--	2.168
Klr Elektrik Enerjisi Toptan Satış Anonim Şirketi	782	782
	1.200	**3.970**

e) Advances given to related parties

Kiler Sebze Meyve Komisyoncusu -Ümit Kiler	--	221
Other	--	14
	--	**235**

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

f) Income from related parties	**01.01.- 30.06.2014**	**01.01.- 30.06.2013**	**01.04.- 30.06.2014**	**01.04.- 30.06.2013**
Kiler Holding Anonim Şirketi	1.991	3.182	1.811	2.267
Other	235	1.933	134	484
	2.226	**5.115**	**1.945**	**2.751**

g) Expenses to related parties				
KBC Gıda Sanayi Ticaret Limited Şirketi	10.416	7.438	9.951	4.154
Ümit Kiler Sebze Meyve Komisyoncusu	3.153	3.726	3.153	1.782
Kiler Gayrimenkul Yatırım Ortaklığı Anonim Şirketi	1.840	1.793	859	900
Kiler Holding Anonim Şirketi	1.179	1.168	595	549
Other	2.385	2.252	1.465	1.426
	18.973	**16.377**	**16.023**	**8.811**

h) Key management includes directors, the Chairman of Board of Directors, general managers and assistant general managers. The compensation paid to key management for the period ended 30.06.2014 TL 133 (30.06.2013: TL 144).

NOTE 25 - FINANCIAL INSTRUMENTS RISKS CHARACTERISTICS AND NATURE

Financial Instruments

Financial risk management objectives and policies
The Group is exposed to market risk through its use of financial instruments and specifically to currency risk, interest rate risk and certain other price risks, which result both from its operating and investing activities. The Group's risk management is coordinated at its headquarters, in close co-operation with the board of directors, and focuses on actively securing the Group's short to medium term cash flows by minimizing the exposure to financial markets. Long term financial investments are managed to generate lasting returns.

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

Interest rates risk

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

The Group's interest rate position is as follows:

	30.06.2014	31.12.2013
Fixed interest rate financial instruments		
Financial assets		
-Time deposit	17.172	--
Financial liabilities	107.152	211.012
Variable interest rate financial instruments		
Financial assets	--	--
Financial liabilities	292.154	53.445

As of financial position dates, the Group's annual effective interest rates are as follows:

30.06.2014 (%)	USD	EUR	TL
Assets			
Cash and cash equivalents	1,3%	--	--
Trade receivables	--	--	9,3%
Liabilities			
Borrowings	5,2%	--	12,3%
Trade payables	--	--	9,2%

31.12.2013 (%)	USD	EUR	TL
Assets			
Cash and cash equivalents	--	--	9,8%
Trade receivables	--	--	--
Liabilities			
Borrowings	5,34%	3,6%	12,06%
Trade payables	--	--	8,98%

On basis of the above an increase of 1% the foreign exchange rates against the Turkish Lira as of 30.06.2014 will amount to a loss of TL 124 (31.12.2013: TL 224) and a decrease will amount to profit of the same amount.

Credit risk

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

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

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

Exposure to credit risks with financial instruments is shown below:

	Receivables					
	Trade receivables		Other receivables			
30.06.2014	**Related parties**	**Third Parties**	**Related parties**	**Third Parties**	**Bank deposits**	**Other**
- Secured portion of maximum credit risk with collateral	--	--	--	--	--	--
A. Carrying amount of financial assets that are not overdue and not impaired	2.488	2.808	64.425	2.204	56.969	48.020
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	--	--	--	--	--	--
- Secured portion by guarantees, etc	--	--	--	--	--	--
D. Carrying amount of assets that are impaired						
- Overdue (gross carrying amount)	--	695	--	2.401		
- Impairment (-)	--	(695)	--	(2.401)		
- Secured portion of the net value by guarantees, etc.	--	--	--	--	--	--
E. Credit risk issues out of balance sheet	--	--	--	--	--	--
Maximum exposure to credit risk as of 30.06.2014 (A+B+C+D+E)	**2.488**	**2.808**	**64.425**	**2.204**	**56.969**	**48.020**

	Receivables					
	Trade receivables		Other receivables			
31.12.2013	**Related parties**	**Third parties**	**Related parties**	**Third Parties**	**Bank deposits**	**Other**
- Secured portion of maximum credit risk with collateral	--	--	--	--	--	--
A. Carrying amount of financial assets that are not overdue and not impaired	1.827	1.874	45.149	1.945	2.082	34.278
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	--	--	--	--	--	--
- Secured portion by guarantees, etc	--	--	--	--	--	--
D. Carrying amount of assets that are impaired	--	651	--	2.413	--	--
- Overdue (gross carrying amount)	--	(651)	--	(2.413)	--	--
- Impairment (-)	--	--	--	--		
- Secured portion of the net value by guarantees, etc.	--	--	--	--	--	--
Maximum exposure to credit risk as of 31.12.2013 (A+B+C+D+E)	**1.827**	**1.874**	**45.149**	**1.945**	**2.082**	**34.278**

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

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

Liquidity risk

The Company manages its liquidity needs by carefully monitoring scheduled debt servicing payments for long-term financial liabilities as well as cash-outflows due in day-to-day business.

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:

30.06.2014

Contractual maturities	**Book value**	**Total cash out flow**	**Within 3 months**	**3 to 12 months**	**1 to 5 years**	**Over 5 years**
Bank borrowings	399.306	452.708	49.895	93.995	308.818	--
Trade payables	247.737	250.782	244.167	6.615	--	--
Other payables	1.488	1.488	1.488	--	--	--
Non derivative financial liabilities	**648.531**	**704.978**	**295.550**	**100.610**	**308.818**	**--**

31.12.2013

Contractual maturities	**Book value**	**Total cash out flow**	**Within 3 months**	**3 to 12 months**	**1 to 5 years**	**Over 5 years**
Bank borrowings	264.457	275.891	83.596	169.910	22.385	--
Trade payables	229.583	232.560	216.813	15.747	--	--
Other payables	9.706	9.706	7.668	2.038	--	--
Non derivative financial liabilities	**503.746**	**518.157**	**308.077**	**187.695**	**22.385**	**--**

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

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

30.06.2014	**USD**	**EUR**	**GBP**	**TL equivalent**
1. Trade receivables	--	--	--	--
2a. Monetary financial assets (including cash and bank account)	10.005	5	1	21.263
2b. Non-monetary financial assets	--	--	--	--
3. Other	--	--	--	--
4. Current assets (1+2+3)	**10.005**	**5**	**1**	**21.263**
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)	**10.005**	**5**	**1**	**21.263**
10. Trade payables	--	--	--	**--**
11. Financial liabilities	34.099	1	--	72.407
12a. Other monetary liabilities	--	--	--	--
12b. Other non-monetary liabilities	--	--	--	--
13. Short term liabilities (10+11+12)	**34.099**	**1**	**--**	**72.407**
14. Trade payables	--	--	--	--
15. Financial liabilities	108.900	--	--	231.238
16a. Other monetary liabilities	--	--	--	--
16b. Other non-monetary liabilities	--	--	--	--
17. Long term liabilities (14+15+16)	**108.900**	**--**	**--**	**231.238**
18. Total liabilities (13+17)	**142.999**	**1**	**--**	**303.645**
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)	**(132.994)**	**4**	**1**	**(282.382)**
21. Monetary net foreign currency position / (UFRS 7.B23) (=1+2a+5+6a-10-11-12a-14-15-16a)	**(132.994)**	**4**	**1**	**(282.382)**
22. Total fair value of financial instruments for hedge	--	--	--	--
23. Exports	--	--	--	--
24. Imports	--	--	--	--

KİLER ALIŞVERİŞ HİZMETLERİ GIDA SANAYİ VE TİCARET A.Ş.
NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2014

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

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

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

	Profit / Loss		**Equity**	
30.06.2014	**Foreign exchange appreciation**	**Foreign exchange depreciation**	**Foreign exchange appreciation**	**Foreign exchange depreciation**
+/- 10% fluctuation of USD rate:				
1- USD net asset / liability	(28.240)	28.240	(28.240)	28.240
2- Secured portion from USD risk (-)	--	--	--	--
3- USD net effect (1+2)	**(28.240)**	**28.240**	**(28.240)**	**28.240**
+/- 10% fluctuation of EUR rate:				
4-EUR net asset/ liability	1	(1)	1	(1)
5-Secured portion from EUR risk (-)	--	--	--	--
6- EUR net effect (4+5)	**1**	**(1)**	**1**	**(1)**
Total effect (3+6)	**(28.239)**	**28.239**	**(28.239)**	**28.239**

31.12.2013				
+/- 10% fluctuation of USD rate:				
1- USD net asset / liability	(10.021)	10.021	(10.021)	10.021
2- Secured portion from USD risk (-)	--	--	--	--
3- USD net effect (1+2)	**(10.021)**	**10.021**	**(10.021)**	**10.021**
+/- 10% fluctuation of EUR rate:				
4-EUR net asset/ liability	(10)	10	(10)	10
5-Secured portion from EUR risk (-)	--	--	--	--
6- EUR net effect (4+5)	**(10)**	**10**	**(10)**	**10**
Total effect (3+6)	**(10.031)**	**10.031**	**(10.031)**	**10.031**

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

Capital Risk Management
The Company aims at the most productive use of the balance between debt and equity with a view to increasing its profitability whilst at the same time concentrating on increasing the continuity of its operations.

The risks associated with each source of capital together with the cost of capital are evaluated by the management of the Company. On basis of its evaluation, the management aims at balancing the capital structure of the Company through procurement of new debt or repayment of existing debt as well as giving consideration to payment of dividends or raising fresh capital through issue of new shares.

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

	30.06.2014	**31.12.2013**
Total liabilities (note 6)	399.306	264.457
Cash and cash equivalents (note 4)	(104.989)	(36.360)
Net debt	**294.317**	**228.097**
Equity	174.760	193.125
Total share capital	**469.077**	**421.222**
Ratio net debt/equity	**63%**	**54%**

NOTE 26- FINANCIAL ASSET

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:

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 are predicted to reflect the reasonable value. The reasonable value of the financial assets is 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.