(Convenience translation of a report and financial statements originally issued in Turkish)

BİM Birleşik Mağazalar Anonim Şirketi

Interim consolidated financial statements at September 30, 2009

(Convenience translation of a report and financial statements originally issued in Turkish)

BİM Birleşik Mağazalar Anonim Şirketi and its Subsidiary

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BİM Birleşik Mağazalar Anonim Şirketi and its Subsidiary

Interim consolidated balance sheet
as at September 30, 2009
(Currency – Thousands of Turkish Lira)

	Notes	Current period Not Reviewed September 30, 2009	Prior period Audited December 31, 2008
Current assets		**610.202**	423.062
Cash and cash equivalents	6	**166.667**	56.447
Trade receivables	10	**153.004**	114.310
Inventories	13	**266.815**	230.858
Other current assets	26	**23.716**	21.447
Non-current assets		**472.682**	415.888
Property, plant and equipment	18	**465.452**	404.212
Intangible assets	19	**3.321**	2.788
Other non-current assets	26	**3.836**	8.888
Deferred tax assets	35	**73**	-
Total assets		**1.082.884**	838.950

The accompanying policies and explanatory notes on pages 6 through 39 form an integral part of the financial statements.

BİM Birleşik Mağazalar Anonim Şirketi and its Subsidiary

Interim consolidated balance sheet
as at September 30, 2009
(Currency – Thousands of Turkish Lira)

	Notes	Current period Not Reviewed September 30, 2009	Prior period Audited December 31, 2008
Current liabilities		**696.901**	556.085
Financial liabilities	8	**-**	21.778
Trade payables			
- Trade payables to related parties	37	**105.270**	78.841
- Other trade payables	10	**545.261**	430.604
Other current liabilities	26	**26.897**	16.421
Accrued liabilities	22	**19.473**	8.441
Non-current liabilities		**17.555**	16.762
Reserve for employee termination benefits	24	**7.264**	6.349
Deferred tax liability	35	**10.291**	10.207
Other non-current liabilities	26	**-**	206
Equity		**368.428**	266.103
Equity items for the parent entity		**368.428**	266.103
Paid-in share capital	27	**75.900**	75.900
Inflation adjustment on paid-in share capital	27	**6.956**	6.956
Revaluation surplus	18, 27	**12.874**	12.874
Currency translation difference		**986**	-
Restricted reserves allocated from profits	27	**30.656**	19.469
Prior year profits	27	**78.997**	36.724
Net income for the period		**162.059**	114.180
Minority interest		**-**	-
Total liabilities and equity		**1.082.884**	838.950

The accompanying policies and explanatory notes on pages 6 through 39 form an integral part of the financial statements.

BİM Birleşik Mağazalar Anonim Şirketi and its Subsidiary

Interim consolidated comprehensive income statement for the nine-month period ended September 30, 2009
(Currency – Thousands of Turkish Lira)

	Notes	Current period	Current period	Prior period	Prior period
		Not Reviewed		Not Reviewed	
		January 1 - September 30, 2009	July 1 - September 30, 2009	January 1 - September 30, 2008	July 1 - September 30, 2008
Continuing operations					
Net sales	28	**3.908.128**	**1.398.517**	3.174.141	1.148.970
Cost of sales (-)	28	**(3.207.353)**	**(1.151.580)**	(2.661.392)	(967.584)
Gross profit		**700.775**	**246.937**	512.749	181.386
Selling, marketing and distribution expenses (-)	29	**(438.404)**	**(156.854)**	(343.478)	(130.122)
General and administrative expenses (-)	29	**(66.980)**	**(22.876)**	(55.375)	(19.613)
Other operating income	31	**7.634**	**1.659**	6.099	2.243
Other operating expenses	31	**(2.853)**	**(528)**	(3.000)	(615)
Operating profit		**200.172**	**68.338**	116.995	33.279
Financial income	32	**5.280**	**2.443**	2.297	302
Financial expense (-)	33	**(1.484)**	**(433)**	(2.590)	(1.935)
Net income before taxes from continuing operations		**203.968**	**70.348**	116.702	31.646
Tax income/(expense) for continuing operations					
- Tax expense for the period	35	**(41.898)**	**(14.895)**	(23.616)	(6.285)
- Deferred tax expense	35	**(11)**	**206**	(279)	(344)
Net income/(loss)		**162.059**	**55.659**	92.807	25.017
Other comprehensive income:					
Currency translation difference		**986**	**(96)**	-	-
Other comprehensive income		**986**	**(96)**	-	-
Total comprehensive income		**163.045**	**55.563**	92.807	25.017
Profit for the period attributable to					
Minority interest		**-**	**-**	-	-
Share of the parent		**162.059**	**55.659**	92.807	25.017
Total comprehensive income attributable to					
Minority interest		**-**	**-**	-	-
Share of the parent		**163.045**	**55.563**	92.807	25.017
Weighted average number of shares (each equals to TL 1)		**75.900.000**	**75.900.000**	75.900.000	75.900.000
Earnings per share (full TL)	36	**2,135**	**0,733**	1,223	0,330

The accompanying policies and explanatory notes on pages 6 through 39 form an integral part of the financial statements.

BİM Birleşik Mağazalar Anonim Şirketi and its Subsidiary

Interim consolidated statement of changes in equity
for the nine-month period ended September 30, 2009
(Currency – Thousands of Turkish Lira)

	Paid-in share capital	Inflation adjustment on paid-in share capital	Revaluation surplus	Net income for the period	Restricted reserves allocated from profits	Currency translation difference	Prior year profits	Total equity
At January 1, 2009	**75.900**	**6.956**	**12.874**	**114.180**	**19.469**	**-**	**36.724**	**266.103**
Transfer to prior year profits	-	-	-	**(114.180)**	**-**	-	**114.180**	**-**
Transfer to restricted reserves allocated from profits	-	-	-	**-**	**11.187**	-	**(11.187)**	**-**
Dividends paid	-	-	-	**-**	**-**	-	**(60.720)**	**(60.720)**
Currency translation difference	-	-	-	**-**	**-**	**986**	**-**	**986**
Net income for the period	**-**	**-**	**-**	**162.059**	**-**	**-**	**-**	**162.059**
Total comprehensive income				**162.059**		**986**		**163.045**
At September 30, 2009	**75.900**	**6.956**	**12.874**	**162.059**	**30.656**	**986**	**78.997**	**368.428**
At January 1, 2008	25.300	6.956	12.874	108.472	14.788	-	31.603	199.993
Transfer to prior year profits	-	-	-	(108.472)	-	-	108.472	-
Transfer to restricted reserves allocated from profits	-	-	-	-	4.681	-	(4.681)	-
Transfer to share capital	50.600	-	-	-	-	-	(50.600)	-
Dividends paid	-	-	-	-	-	-	(48.070)	(48.070)
Net income for the period	-	-	-	92.807		-		92.807
Total comprehensive income				92.807				92.807
At September 30, 2008	75.900	6.956	12.874	92.807	19.469	-	36.724	244.730

The accompanying policies and explanatory notes on pages 6 through 39 form an integral part of the financial statements.

BİM Birleşik Mağazalar Anonim Şirketi and its Subsidiary

Statement of consolidated cash flows for the nine-month period ended September 30, 2009

(Currency – Thousands of Turkish Lira)

	Notes	Current period Not Reviewed January 1- September 30, 2009	Prior period Not Reviewed January 1- September 30, 2008
Cash flows from operating activities			
Profit before tax		**203.968**	116.702
Adjustments to reconcile profit before tax to net cash provided by operating activities:			
Depreciation and amortisation	18, 19	**40.912**	31.103
Profit share income from deposit accounts	32	**(4.662)**	(1.933)
Reserve for long-term defined employee benefit plan	24	**583**	378
Financial expense of long-term defined employee benefit plan	24	**1.284**	926
Loss on sale of property and equipment and intangibles	31	**1.165**	1.066
Reserve for impairment of inventories, net	13	**(159)**	623
Operating income before working capital changes		**243.091**	148.865
Changes in operating asset and liabilities:			
Trade receivables		**(38.694)**	(43.716)
Inventories		**(35.798)**	(104.147)
Other current assets		**(2.269)**	(12.360)
Other non-current assets	26	**4.107**	(4.697)
Other trade payables		**114.657**	170.862
Trade payables to related parties		**26.429**	32.332
Accrued liabilities		**537**	1.553
Other current liabilities		**10.476**	11.676
Other non-current liabilities		**(206)**	(17)
Income taxes paid		**(31.403)**	(24.919)
Employee benefit payments	24	**(952)**	(868)
Net cash generated by operating activities		**289.975**	174.564
Cash flows from investing activities:			
Purchase of property, plant and equipment		**(103.014)**	(141.463)
Purchase of intangibles		**(1.380)**	(997)
Proceeds from sale of property, plant and equipment and intangibles		**1.489**	885
Profit share received from deposit accounts	32	**4.662**	1.933
Net cash used in investing activities		**(98.243)**	(139.642)
Cash flows from financing activities:			
Dividends paid		**(60.720)**	(48.070)
Changes in short-term borrowings	8	**(21.778)**	21.389
Net cash used in financing activities		**(82.498)**	(26.681)
Currency translation differences		**986**	-
Increase/(decrease) in cash and cash equivalents		**110.220**	8.241
Cash and cash equivalents at the beginning of the period		**56.447**	83.039
Cash and cash equivalents at the end of the period		**166.667**	91.280

The accompanying policies and explanatory notes on pages 6 through 39 form an integral part of the financial statements.

(Currency – Thousands of Turkish Lira (TL) unless otherwise indicated. All other currencies are expressed in full amounts unless otherwise indicated)

1. Organization and nature of operations of the Company

General

BİM Birleşik Mağazalar Anonim Şirketi (BİM - the Company) was established on May 31, 1995 and commenced its operations in September 1995. The registered address of the Company is Samandıra Ebubekir Cad. No: 289 Kartal, İstanbul.

The Company is engaged in operating retail stores of fast moving basic consumer goods through its retail shops throughout Turkey, which sell an assortment of approximately 600 items, including a number of private labels. The Company is publicly traded in Istanbul Stock Exchange (ISE) since July 2005.

The Company established a new company named Bim Stores SARL as of May 19, 2008 with 100% ownership in Morocco which is engaged in hard discount retail sector and started to operate at April 11, 2009. BIM Stores SARL financial statements are consolidated by using the full consolidation method as of September 30, 2009.

Hereinafter, the Company and its consolidated subsidiary together will be referred to as “the Company”.

The ultimate controlling party of the Group is Mustafa Latif Topbaş. The consolidated financial statements were authorized for issue on November 11, 2009 by the Board of Directors of the Company. Although there is no such intention, the General Assembly and certain regulatory bodies have the power to amend the financial statements after issue.

For the nine-month period ended September 30, 2009 and for the year ended December 31, 2008, the average number of workers is shown below:

	January 1- September 30, 2009	January 1 - December 31, 2008
Office personnel	**1.068**	793
Warehouse personnel	**1.798**	1.878
Store personnel	**11.575**	10.098
Total	**14.441**	12.769

2. Basis of preparation of financial statements

Basis of preparation

The Company maintains its books of account and prepares its statutory financial statements in Turkish Lira (TL) in accordance with regulations on accounting and reporting framework and the Uniform Chart of Accounts issued by the Ministry of Finance. The legal statutory financial statements of the subsidiary established outside of Turkey prepares its statutory financial statements in accordance with law and tax legislation in the country it is domiciled. The financial statements of the Group have been prepared from the statutory financial statements of the Group with adjustments and reclassifications for the purpose of fair presentation in accordance with Serial: XI, Number: 29 “Financial Reporting Rules and Principles in Capital Markets” (from hereinafter will be referred to as “the CMB Accounting Standards”) accounting and reporting standards prescribed by the Capital Markets Board. Such adjustments mainly comprise accounting for subsidiary on a consolidation basis, provision for impairment of stock, deferred taxation, employee termination benefits, fair value accounting of land and buildings and rediscount of trade receivables and payables.

2. Basis of preparation of financial statements (continued)

The consolidated financial statements have been prepared under the historical cost convention, except for land and building which are carried at fair value.

With the decision taken on March 17, 2005, the CMB has declared that application of inflation accounting is no longer required for companies operating in Turkey which are reporting in accordance with CMB Accounting Standards effective from January 1, 2005.

The consolidated financial statements and explanatory notes are presented using the compulsory standard formats as prescribed by CMB in Communiqué No: XI-29 on April 9, 2008.

Changes in accounting policies

Adoption of revised and new standards

The accounting policies adopted in the preparation of the interim financial statements are consistent with those followed in the preparation of the financial statements as of and for the year ended December 31, 2008, except for the adoption of new standards and interpretations noted below and effective as of January 1, 2009.

The new standards which are effective as of January 1, 2009 and July 1, 2009 and changes and interpretations of current standards are as follows:

New standards and changes that do not have an effect on the financial position or the performance of the Group are summarized below;

IFRS 1 Changes in “First Adoption” standart

IFRS 2 "Share Based Payment" (Revised) – Vesting Conditions and Cancellations

IFRS 3 "Business Combinations" and IAS 27 "Consolidated and Separate Financial Statements" (Revision)

IFRS 5 “Non-current Assets Held for Sale and Discontinued Operations”

IAS 8 “Accounting Policies, Changes in Accounting Estimates and Errors”

IAS 10 “Events after the Reporting Period”

IAS 16 “Property, Plant and Equipment”

IFRIC 17 “Distributions of Non-cash Assets to Owners”

IFRIC 18 “*Transfers of Assets from Customers”*

IAS 18 “Revenue”

IAS 19 “Employee Benefits”

IAS 20 “Accounting for Government Grants and Disclosure of Government Assistance”

IAS 23 "Borrowing Costs" (Revised)

2. Basis of preparation of financial statements (continued)

IAS 27 "Consolidated and Separate Financial Statements" (Revised)

IAS 28 "Investment in associates"

IAS 29 "Financial Reporting in Hyperinflationary Economies"

IAS 31 "Interest in Joint Ventures"

IAS 32 "Financial Instruments: Presentation" and IAS 1 "Presentation of Financial Statements" "Putable Financial Instruments" (Revised)

IAS 36 "Impairment of Assets"

IAS 38 "Intangible Assets"

IAS 39 "Financial Instruments: Recognition and Measurement"

IAS 40 "Investment Property"

IAS 41 "Agriculture" (revised)

IFRS 8 "Operating Segments"

IFRIC 9 Reassessment of Embedded Derivatives and IAS 39 "Financial Instruments: Recognition and Measurement"

IFRIC 13, "Customer Loyalty Programmes"

IFRIC 15 "Agreements for the Construction of Real Estate"

IFRIC 16 "Hedges of a Net Investment in a Foreign Operation"

New standards and interpretations that have impact on the financial position and the performance of the Group is summarized below:

IFRS 7 "Financial Instruments" (Revised)

Additional explanations about measurement of realizable value and liquidity risk will be disclosed in the notes of the annual financial statements.

IAS 1 "Presentation of Financial Statements" (*Revised*)

The Group has reflected the changes related to presentation of financial statements in accordance with the compulsory reporting format of CMB.

IAS 34 "Interim Financial Reporting":

The Group has disclosed the earnings per share note in notes of financial statements.

2. Basis of preparation of financial statements (continued)

Standards that are published as of the approval date of the financial statements and effective for annual periods beginning on or after October 1, 2009 and not early adopted by the Group and interpretations and amendments to published standards are as following:

IFRS 2 "Share Based Payment"- Vesting Conditions and Cancellations (effective for annual periods beginning on or after January 1, 2010). Since the Group does not have such an implementation, the change will not have any impact on the consolidated financial statements of the Group.

Improvements to IFRSs

In April 2009, International Accounting Standards Board (IASB) made 15 changes in 12 standards. Changed standards are summarized below:

- IFRS 2: Scope of IFRS 2 and IFRS 3
- IFRS 5: Disclosure of assets held for sale and discontinued operations
- IFRS 8: Disclosure of segmental assets
- IAS 1: Classification of convertible instruments as current or non current
- IAS 7: Classification of expenses related to non accounted assets
- IAS 17: Classification of rentals of lands and buildings
- IAS 18: Determination of the treatment of the Company Principal or Agent
- IAS 36: Accounting unit in testing impairment of goodwill
- IAS 38: Additional changes in revised IFRS 3
- IAS 38: Fair value determination of intangible assets acquired business combinations
- IAS 39: Assumption of prepaid penalties related to bank loans as embedded derivative instruments
- IAS 39: Exception in scope of business combination agreements
- IAS 39: Cash flow hedge accounting
- IFRIC 9: Scope of IFRIC 9 and IFRS 3
- IFRIC 16: Revision related restrictions to company with hedge accounting instrument

Functional and presentation currency

The functional and presentation currency of the Company is Turkish Lira (TL).

The functional currency of the Company's subsidiary, BİM Stores SARL, is Maroc Dirham (MAD). In the consolidated financial statements, MAD amounts presented in the balance sheet are translated into Turkish Lira at the official TL exchange rate for purchases of MAD announced by the Central Bank of the Republic of Turkey o the balance sheet date, MAD 1,00 (full) = TL 5,245, MAD amounts in the statement of comprehensive income have been translated into TL, at the average TL exchange rate for purchases of MAD, is MAD 1,00 (full) = TL 5,254 . Differences that occur by the usage of closing and average exchange rates are followed under currency translation differences classified under equity.

Effective from January 1, 2005 concurrent with the removal of six zero digits, the new currency unit of Turkey was introduced as New Turkish Lira (YTL). The Government resolved to remove the "New" phrase in the local currency unit effective from January 1, 2009. Accordingly, the Group's functional and presentation currency as of September 30, 2009 is TL and comparative figures for the prior year(s) have also been presented in TL, using the conversion rate of YTL 1= TL 1.

2. Basis of preparation of financial statements (continued)

In accordance with CMB announcement No.11/367 dated March 17, 2005; since the objective conditions for the application of restatement is no longer available and since CMB foresees that the probability of the re-occurrence of the conditions is remote, lastly the financial statements as of December 31, 2004 have been subject to the restatement per International Accounting Standards, IAS 29 (Financial Reporting in Hyperinflationary Economies). Therefore, non-monetary assets, liabilities and shareholders' equity including share capital reported in the balance sheet as of September 30, 2009 and December 31, 2008 are derived by indexing the additions occurred until December 31, 2004 and the additions after December 31, 2004 are carried with their nominal amounts.

Basis of consolidation

The consolidated financial statements comprise the financial statements of the parent company, and its subsidiary prepared as for the nine-month ended September 30, 2009. Subsidiaries are consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group. The consolidated financial statements cover BİM and the subsidiary it controls.

Subsidiary is consolidated by using the full consolidation method; therefore, the carrying value of subsidiary is eliminated against the related shareholders' equity.

Intercompany balances and transactions between BİM and its subsidiary, including intercompany unrealized profits and losses are eliminated. Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

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.

Accounting estimates

The preparation of financial statements require the Group management to make estimates and assumptions that affect certain 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 year. Actual results could differ from those estimates. Those estimates are reviewed periodically, and as adjustments become necessary, they are reported in earnings in the periods in which they become known.

Significant estimates used in the preparation of these financial statements and the significant judgments with the most significant effect on amounts recognized in the financial statements are mainly related with the application of IAS 29, accounting of employee termination benefits, provision for inventories, revaluation of land and buildings, assessment of economic useful lives of property and equipment and intangibles and provision for income taxes.

2. Basis of preparation of financial statements (continued)

Summary of significant accounting policies

Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits associated with the transaction will flow to the enterprise and the amount of the revenue can be reliably measured. Revenue is recognised net of discounts and Value Added Tax (VAT) when delivery has taken place and transfer of risks and rewards has been completed.

Profit shares income from participations banks are recognized according to the accrual basis.

Cash and cash equivalents

For the presentation of the statement of cash flows, cash and cash equivalents comprise cash on hand, cash at banks, cash in transit and time deposits generally having original maturities of three months or less.

Trade receivables

Trade receivables, which generally have an average of 10 day term (December 31, 2008 – 9 days) are carried at amortized cost less an allowance for any uncollectible amounts. Estimate is made for the doubtful provision when the collection of the trace receivable is not probable.

Inventories

Inventories are valued at the lower of cost and net realizable value. Cost is determined by the first in first out method.

Net realizable value is the estimated selling price less estimated costs necessary to make the sale.

Property, plant and equipment

All property, plant and equipment is initially recorded at cost. Land and building are subsequently measured at revalued amounts which are the fair value at the date of the revaluation, based on valuations by external independent valuers, less subsequent depreciation for building. All other property, plant and equipment is stated at cost indexed until December 31, 2004 less accumulated depreciation and accumulated impairment loss. When assets are sold or retired, their cost and accumulated depreciation are eliminated from the accounts and any gain or loss resulting from their disposal is included in the statement of income. On disposal of revalued assets, amounts in revaluation reserves relating to that asset are transferred to retained earnings.

The initial cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes and any directly attributable costs of bringing the asset ready for use. Expenditures incurred after the fixed assets have been put into operation, such as repairs and maintenance, are normally charged to income in the year the costs are incurred. If the asset recognition criteria are met, the expenditures are capitalized as an additional cost of property, plant and equipment.

Increases in the carrying amount arising on revaluation of property are initially credited to revaluation reserve in shareholders' equity net of the related deferred tax.

2. Basis of preparation of financial statements (continued)

Depreciation is provided on cost or revalued amount of property, plant and equipment on a straight-line basis. The depreciation periods for property, plant and equipment, which approximate the estimated economic useful lives of such assets, are as follows:

	Year
Land improvements	5
Building	25
Machinery and equipment	4, 5, 6, 7, 10
Furniture and fixtures	5, 10
Vehicles	5, 10
Leasehold improvements	5, 10

The useful life and depreciation method are reviewed periodically to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from items of property, plant and equipment.

Intangible assets

Intangible assets which mainly comprise software rights are measured initially at cost. Intangible assets are recognized if it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise; and the cost of the asset can be measured reliably. After initial recognition, intangible assets are measured at cost less accumulated amortization and any accumulated impairment losses. Intangible assets excluding development costs, created within the business are not capitalized and expenditure is charged against profits in the year in which it is incurred. The useful lives of intangible assets are assessed to be either finite or indefinite.

Intangible assets with finite lives are amortized on a straight line basis over the best estimate of their useful lives. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at each financial year-end.

Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate, and treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognised in the statement of income in the expense category consistent with the function of the intangible asset.

The Group does not have any intangible assets with indefinite useful lives.
The carrying values of intangible assets are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

Impairment of non-financial assets

The carrying values of assets are reviewed for impairment when 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 the statement of income. The recoverable amount of property and equipment is the greater of net selling price and value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life while the net selling price is the amount obtainable from the sale of an asset after cost of sales deducted.

2. Basis of preparation of financial statements (continued)

Trade payables

Trade payables which generally have an average of 48 day term (December 31, 2008 - 52 day) are initially recorded at original invoice amount and carried at amortized cost. This amount is the fair value of consideration to be paid in the future for goods and services received, whether or not billed.

Bank borrowings

All loans and borrowings are initially recognized at cost.

After initial recognition, loans and borrowings are subsequently measured at amortized cost using the effective interest method. Amortized cost is calculated by taking into account any issue costs, and any discount or premium on settlement.

Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the amortization process.

Borrowing costs

Borrowing costs are expensed as incurred.

Financial instruments

Financial asset and financial liabilities are recognized on the Group's balance sheet when the Group becomes a party to the contractual provisions of the instrument.

When a financial instrument gives rise to a contractual obligation on the part of the Group to deliver cash or another financial asset or to exchange another financial instrument under conditions that are potentially unfavorable, it is classified as a financial liability. The instrument is an equity instrument if, and only if, both conditions (a) and (b) below are met:

(a) The instrument includes no contractual obligation to deliver cash or another financial asset to another entity; or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavorable to the issuer,

(b) If the instrument will or may be settled in the Group's own equity instruments, it is a non-derivative that includes no contractual obligation for the Group to deliver a variable number of its own equity instruments; or a derivative that will be settled only by the Group exchanging a fixed amount of cash or another financial asset for a fixed number of its own equity instruments.

Financial assets are classified as either financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments or available-for-sale financial assets. When financial assets are recognised initially, they are measured at fair value, plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs. The Group determines the classification of its financial assets after initial recognition and, where allowed and appropriate re-evaluates this designation at each financial year/period-end.

All regular way purchases and sales of financial assets are recognized on the trade date, which is the date that the Group commits to purchase the asset. Regular way purchases or sales are purchases or sale of financial assets that require delivery of assets within the period generally established by regulation or convention in the market place.

2. Basis of preparation of financial statements (continued)

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are carried at amortised cost using the effective interest method. Gains and losses are recognised in income when the loans and receivables are derecognized or impaired, as well as through the amortization process.

Fair value estimations for financial instruments

The fair values of certain financial assets carried at cost, including cash and cash equivalents plus the respective accrued profit share are considered to approximate their respective carrying values due to their short-term nature and negligible credit losses.

The carrying value of the trade receivables less provision for impairment of trade receivables is estimated to be the fair value due to their short-term nature.

The carrying value of trade payables and bank borrowings approximate to their fair values due to their short-term nature. Those denominated in foreign currencies are translated at period-end exchange rates.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Recognition and derecognition of financial assets and liabilities

The Group recognizes a financial asset or financial liability in its balance sheet when only when it becomes a party to the contractual provisions of the instrument. The Company derecognizes a financial asset or a portion of it only when the control on rights under the contract is discharged. The Company derecognizes a financial liability when the obligation under the liability is discharged or cancelled or expires.

All regular way financial asset purchase and sales are recognized at the date of the transaction, the date the Group committed to purchase or sell.

Impairment of financial assets

The Group assesses at each balance sheet date whether a financial asset is impaired.

Assets carried at amortised cost

If there is objective evidence that an impairment loss on assets carried at amortized cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not been incurred) discounted at the financial asset's original effective interest rate.

The carrying amount of the asset is reduced through use of an allowance account. The amount of the loss is recognized in the consolidated statement of income.

2. Basis of preparation of financial statements (continued)

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed, to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date.

Provision for impairment is provided when there is an objective evidence of uncollectibility of trade receivables. Reserve is provided for the overdue uncollectible receivables. Also portfolio reserve is provided for the not due receivables based on certain criteria. The carrying amount of the receivable is reduced through use of an allowance account. Impaired debts are derecognized when they are assessed as uncollectible.

Foreign currency transactions

Transactions in foreign currencies during the period have been translated at the exchange rates prevailing at the dates of such transactions. Exchange rate differences arising on reporting monetary items at rates different from those at which they were initially recorded or on the settlement of monetary items or are recognized in the comprehensive income statement in the period in which they arise.

Foreign currency conversion rates used by the Group for the related period ended are as follows:

Dates	USD / TL (full)	EUR / TL (full)
September 30, 2009	**1,4820**	**2,1603**
December 31, 2008	1,5123	2,1408

Earnings per share

Earnings per share (EPS) are determined by dividing net income by the weighted average number of shares that have been outstanding during the period concerned. The weighted average number of shares outstanding during the year has been adjusted in respect of free shares issued without corresponding increase in resources.

Subsequent events

Post year/period-end events that provide additional information about the Group's position at the balance sheet date (adjusting events), are reflected in the financial statements. Post year/period-end events that are not adjusting events are disclosed in the notes when material.

Provisions, contingent assets and contingent liabilities

İ) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as interest expense.

2. Basis of preparation of financial statements (continued)

ii) Contingent assets and liabilities

Contingent liabilities are not recognised in the financial statements. They are disclosed only, unless the possibility of an outflow of resources embodying economic benefits is probable. A contingent asset is not recognised in the financial statements but disclosed when an inflow of economic benefits is probable.

Leases

Operating leases

Leases where the lessor retains substantially all the risks and benefits of ownership of the asset are classified as operating leases. Operating lease payments are recognised as an expense in the statement of income on a straight-line basis over the lease term.

Related parties

Parties are considered related to the Group if;

(a) directly, or indirectly through one or more intermediaries, the party:

   (i) controls, is controlled by, or is under common control with, the Group (this includes parents, subsidiaries and fellow subsidiaries);
   (ii) has an interest in the Company that gives it significant influence over the Group; or
   (iii) has joint control over the Company;

(b) the party is an associate of the Group;
(c) the party is a joint venture in which the Group is a venturer;
(d) the party is member of the key management personnel of the Group or its parent;
(e) the party is a close member of the family of any individual referred to in (a) or (d);
(f) the party is an entity that is controlled, jointly controlled or significantly influenced by, or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (d) or (e);

A related party transaction is a transfer of resources, services or obligations between related parties, regardless of whether a price is charged.

Income taxes

Tax expense or income is the aggregate amount included in the determination of net profit or loss for the period in respect of current and deferred taxes.

Deferred income tax is provided, using the liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred income tax liabilities are recognized for all taxable temporary differences.

2. Basis of preparation of financial statements (continued)

Deferred income tax assets are recognized for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carry-forward of unused tax assets and unused tax losses can be utilized. The carrying amount of deferred income tax assets is reviewed at each balance sheet date and recorded to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Reserve for employee benefits

a) Defined benefit plans:

In accordance with existing social legislation in Turkey, the Company is required to make lump-sum termination indemnity payments to each employee who has completed over one year of service with the Company and whose employment is terminated due to retirement or for reasons other than resignation or misconduct.

As detailed in Note 24, the employee benefit liability is provided for in accordance with IAS 19 “Employee Benefits” and is based on an independent actuarial study.

In the financial statements, the Group has recognized a liability using the “Projected Unit Credit Method”. Actuarial gains and losses, as long as the cumulative unrecognized portion exceed 10% of the present value of the defined benefit obligation, are recognized in the comprehensive statement of income over the average remaining working lives of employees. The employee termination benefits are discounted to the present value of the estimated future cash outflows using the discount rate estimated by qualified actuaries.

b) Defined contribution plans:

The Company pays contributions to the Social Security Institution of Turkey on a mandatory basis. The Company has no further payment obligations once the contributions have been paid. The contributions are recognized as an employee benefit expense when they are due.

3. Business combinations

As of September 30, 2009 and December 31, 2008, there is no business combination.

4. Business associations

None (December 31, 2008 - None).

5. Segment reporting

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. A geographical segment is engaged in providing products or services within a particular economic environment that are subject to risks and return that are different from those of segments operating in other economic environments. Since the portion of the subsidiary operates in Morocco is less than 10% of total operations, segment report is not disclosed.

(Currency – Thousands of Turkish Lira (TL) unless otherwise indicated. All other currencies are expressed in full amounts unless otherwise indicated)

6. Cash and cash equivalents

	September 30, 2009	December 31, 2008
Cash on hand	**22.474**	23.907
Banks		
-profit share deposits	**120.473**	-
-demand deposits	**14.810**	24.477
Cash in transit	**8.910**	8.063
	166.667	56.447

There is no restricted cash as of September 30, 2009 and December 31, 2008. As of September 30, 2009 gross profit share of participation banks for TL amounts is 11,5% (December 31, 2008 – There is no profit share deposits).

7. Financial investments

The Group does not have any security as of September 30, 2009 and December 31, 2008.

8. Financial liabilities

As of September 30, 2009, the Group does not have any financial liabilities.

As of December 31, 2008, the Group has short-term loan from a participation bank amounting to TL 21.778.

December 31, 2008			
Currency	**Loan amount**	**Profit share (%)**	**Maturity**
TL	14.271	22,8%	January 29, 2009
TL	7.507	26,4%	February 2, 2009
Total	**21.778**		

As of September 30, 2009, the Group does not have any long-term financial liabilities.

9. Other financial liabilities

None (December 31, 2008 - None).

(Currency – Thousands of Turkish Lira (TL) unless otherwise indicated. All other currencies are expressed in full amounts unless otherwise indicated)

10. Trade receivables and payables

a) Trade receivables, net

	September 30, 2009	December 31, 2008
Credit card receivables	**152.466**	113.444
Trade receivables	**989**	1.308
Other receivables	**117**	148
Less: provision for doubtful receivables	**(568)**	(590)
	153.004	114.310

As of September 30, 2009 the average term of trade receivables is 10 days (December 31, 2008 - 9 days).

As of September 30, 2009 and December 31, 2008, the Group does not have any overdue trade receivables except provision for doubtful receivables.

b) Trade payables, net

	September 30, 2009	December 31, 2008
Other trade payables	**545.261**	430.604
	545.261	430.604

As of September 30, 2009 letters of guarantee and cheque amounting to TL 11.436 and mortgages amounting to TL 14.258 received from its supplier firms (December 31, 2008 – TL 21.798 letters of guarantee and cheque, TL 15.857 mortgages).

11. Other receivables and payables

a) **Other receivables –** As of September 30, 2009 and December 31, 2008, the Group does not have any short-term and long-term receivables.

b) **Other payables-** As of September 30, 2009 and December 31, 2008, the Group does not have any short-term and long-term payables.

(Currency – Thousands of Turkish Lira (TL) unless otherwise indicated. All other currencies are expressed in full amounts unless otherwise indicated)

12. Liabilities to and receivables from finance sector operations

None (December 31, 2008 – None).

13. Inventories

	September 30, 2009	December 31, 2008
Trade goods	**252.084**	229.342
Other inventory	**14.731**	1.516
	266.815	230.858

As of September 30, 2009, a provision for impairment of inventory amounting to TL 2,421 was recorded (December 31, 2008 – TL 2.580).

14. Biological assets

None (December 31, 2008 - None).

15. Assets related with construction projects in progress

None (December 31, 2008 - None).

16. Investment in associates

None (December 31, 2008 - None).

17. Investment properties

None (December 31, 2008 - None).

(Currency – Thousands of Turkish Lira (TL) unless otherwise indicated. All other currencies are expressed in full amounts unless otherwise indicated)

18. Property, plant and equipment

The movements of property, plant and equipment and the related accumulated depreciation for the nine month period ended September 30, 2009 and 2008 are as follows:

	December 31, 2008	Additions	Disposals	Transfers	September 30, 2009
Cost or revalued amount					
Land	**44.136**	**15.841**	**-**	**-**	**59.977**
Land improvements	**1.145**	**626**	**(6)**	**-**	**1.765**
Buildings	**104.730**	**24.343**	**-**	**452**	**129.525**
Machinery and equipment	**198.219**	**25.483**	**(902)**	**137**	**222.937**
Vehicles	**42.317**	**5.366**	**(2.067)**	**-**	**45.616**
Furniture and fixtures	**85.511**	**8.365**	**(1.124)**	**51**	**92.803**
Leasehold improvements	**135.154**	**23.502**	**(2.250)**	**-**	**156.406**
Construction in progress	**210**	**436**	**-**	**(640)**	**6**
	611.422	**103.962**	**(6.349)**	**-**	**709.035**
Less: Accumulated depreciation					
Land improvements	**(319)**	**(188)**		**-**	**(507)**
Building	**(3.854)**	**(3.408)**		**-**	**(7.262)**
Machinery and equipment	**(92.797)**	**(12.153)**	**370**	**-**	**(104.580)**
Vehicles	**(17.172)**	**(6.071)**	**1.489**	**-**	**(21.754)**
Furniture and fixtures	**(52.901)**	**(8.008)**	**1.011**	**-**	**(59.898)**
Leasehold improvements	**(40.167)**	**(10.239)**	**824**	**-**	**(49.582)**
	(207.210)	**(40.067)**	**3.694**	**-**	**(243.583)**
Net book value	**404.212**				**465.452**

	December 31, 2007	Additions	Disposals	Transfers	September 30, 2008
Cost or revalued amount					
Land	40.257	1.879	-	-	42.136
Land improvements	402	390	-	-	792
Buildings	42.614	19.726	-	2.688	65.028
Machinery and equipment	149.113	38.336	(324)	-	187.125
Vehicles	31.570	11.724	(1.695)	-	41.599
Furniture and fixtures	66.695	14.037	(128)	-	80.604
Leasehold improvements	89.176	35.245	(1.763)	-	122.658
Construction in progress	2.312	10.486	-	(2.688)	10.110
	422.139	131.823	(3.910)	-	550.052
Less: Accumulated depreciation					
Land improvements	217	59	-	-	276
Building	1.228	1.710	-	-	2.938
Machinery and equipment	80.420	9.478	(140)	-	89.758
Vehicles	11.582	5.327	(1.049)	-	15.860
Furniture and fixtures	43.753	6.735	(88)	-	50.400
Leasehold improvements	30.768	7.242	(681)	-	37.329
	167.968	30.551	(1.958)	-	196.561
Net book value	254.171				353.491

(Currency – Thousands of Turkish Lira (TL) unless otherwise indicated. All other currencies are expressed in full amounts unless otherwise indicated)

18. Property, plant and equipment (continued)

The land and buildings were revalued and reflected to financial statements with fair value. The book values of such assets were adjusted to the revalued amounts and the resulting surplus net of deferred income tax was credited to revaluation surplus in the equity. The revaluation surplus is not available for distribution to shareholders.

Had the revalued assets been carried at cost less accumulated depreciation, the carrying amounts of land and buildings that would have been included in the financial statements as of September 30, 2009 and December 31, 2008 respectively are as follows:

	Land and buildings	
	September 30, 2009	December 31, 2008
Cost	**179.475**	139.291
Accumulated depreciation	**(10.109)**	(7.153)

As of September 30, 2009 and December 31, 2008, the gross carrying amount of property, plant and equipment and intangibles, which are fully depreciated, but still in use, is as follows:

	September 30, 2009	December 31, 2008
Furniture and fixtures	**37.960**	34.201
Machinery and equipment	**52.252**	48.475
Intangible assets and leasehold improvements	**14.806**	11.814
Vehicles	**3.894**	1.523
Land improvements	**173**	168
	109.085	96.181

Pledges and mortgages on assets

As of September 30, 2009 and December 31, 2008, there is no pledges or mortgages on property, plant and equipment of the Group.

(Currency – Thousands of Turkish Lira (TL) unless otherwise indicated. All other currencies are expressed in full amounts unless otherwise indicated)

19. Intangible assets

The movements of intangible assets and related accumulated amortization for the nine month periods ended September 30, 2009 and 2008 are as follows:

	December 31, 2008	Additions	September 30, 2009
Cost			
Rights	**7.386**	**444**	**7.830**
Other intangibles	**329**	**1.234**	**1.563**
	7.715	**1.678**	**9.393**
Accumulated amortization			
Rights	**(4.603)**	**(621)**	**(5.224)**
Other intangibles	**(324)**	**(524)**	**(848)**
	(4.927)	**(1.145)**	**(6.072)**
Net book value	**2.788**		**3.321**

	December 31, 2007	Additions	September 30, 2008
Cost			
Rights	5.919	997	6.916
Other intangibles	329	-	329
	6.248	997	7.245
Accumulated amortization			
Rights	(3.901)	(550)	(4.451)
Other intangibles	(324)	-	(324)
	(4.225)	(550)	(4.775)
Net book value	2.023		2.470

The intangible assets are amortized over estimated useful lives which is 5 years.

Major part of the rights is software licenses.

20. Goodwill

(Currency – Thousands of Turkish Lira (TL) unless otherwise indicated. All other currencies are expressed in full amounts unless otherwise indicated)

None (December 31, 2008 - None).

21. Government incentives and grants

As of September 30, 2009 and December 31, 2008, the Group does not have any government incentive and grant.

22. Provisions, contingent assets and liabilities

a) Provision for taxes

As of September 30, 2009 and December 31, 2008, the Group's provision for taxes is as follows:

	September 30, 2009	December 31, 2008
Current period tax provision (Note 35)	**41.898**	27.589
Prepaid taxes	**(28.147)**	(24.333)
Corporate tax payable	**13.751**	3.256

b) Other provisions for debts

As of September 30, 2009 and December 31, 2008, the Group has TL 2.682 and TL 2.567 provisions for telephone, electricity, water and other short term liabilities, respectively.

Legal issues

As of September 30, 2009 and December 31, 2008, the total amount of outstanding lawsuits filed against the Group is TL 3.040 and TL 2.618 in historical terms, respectively, for which the Group ser full provision in the related periods.

Letter of guarantees

As of September 30, 2009 and December 31, 2008, detail of the guarantees given/taken of the Group as follows below:

As of September 30, 2009 letters of guarantee obtained from banks and given to various institutions amounts to TL 2.649 (December 31, 2008 – TL 2.280).

Insurance coverage on assets

As of September 30, 2009 and December 31, 2008 insurance coverage on assets of the Group is TL 434.360 and TL 356.736, respectively.

(Currency – Thousands of Turkish Lira (TL) unless otherwise indicated. All other currencies are expressed in full amounts unless otherwise indicated)

23. Commitments

Operating leases

As of September 30, 2009, the Group has operating lease commitments for each of the following years:

	TL
Not later than one year	-
Later than one year and not later than five years	124
Later than five years	29

24. Employee termination benefits

Reserve for employee termination benefits

In accordance with existing social legislation, the Group is required to make lump-sum payments to employees whose employment is terminated due to retirement or for reasons other than resignation or misconduct. In Turkey, such payments are calculated on the basis of 30 days' pay (limited to a maximum of historical TL 2.260 (full TL) and TL 2.173 (full TL) at September 30, 2009 and December 31, 2008, respectively) per year of employment at the rate of pay applicable at the date of retirement or termination. The cost of providing those benefits is accrued over the employees' service period. The Group accounts for the employee termination benefits in accordance with the provisions of IAS 19 including the application of actuarial methods and assumptions by professional actuaries. Actuarial gains and losses, as long as the cumulative unrecognized portion exceeds 10% of the present value of defined benefit obligation, are recognized in the statement of comprehensive income over the average remaining working lives of employees. Reserve for employee termination benefits are calculated as of September 30, 2009 and December 31, 2008.

The following tables summarize the components of net benefit expense recognized in the comprehensive statement of income and amounts recognized in the balance sheet:

	January 1 – September 30, 2009	January 1 – September 30, 2008
Current service cost	**1.284**	**926**
Financial expense of long-term defined employee termination benefit	**583**	**378**
Total expense	**1.867**	**1.304**

Provision for termination benefits:	**January 1 – September 30, 2009**	January 1 – December 31, 2008
Defined benefit obligation	**7.544**	6.629
Unrecognized actuarial gains / (losses)	**(280)**	(280)
	7.264	6.349

24. Long-term defined employee benefit plan (continued)

(Currency – Thousands of Turkish Lira (TL) unless otherwise indicated. All other currencies are expressed in full amounts unless otherwise indicated)

Changes in the present value of defined benefit obligation are as follows:

	January 1 – September 30, 2009	January 1 – September 30, 2008
Beginning balance	**6.629**	5.101
Financial expense of long-term defined employee termination benefit	**583**	378
Current service cost	**1.284**	926
Benefits paid	**(952)**	(868)
Balance at period end	**7.544**	5.537

The principal actuarial assumptions used at each balance sheet date are as follows:

	September 30, 2009	December 31, 2008
Discount rate	**12%**	12%
Expected rate of salary/limit increases	**5,4%**	5,4%

25. Employee pension plans

None (December 31, 2008 - None).

26. Other assets and liabilities

a) Other current assets

	September 30, 2009	December 31, 2008
Advances given	**17.220**	15.145
Prepaid expenses	**5.680**	6.184
Other	**816**	118
	23.716	21.447

26. Other assets and liabilities (continued)

b) Other non-current assets

(Currency – Thousands of Turkish Lira (TL) unless otherwise indicated. All other currencies are expressed in full amounts unless otherwise indicated)

	September 30, 2009	December 31, 2008
Advances given for tangible asset purchases	**1.525**	2.470
Other (*)	**2.311**	6.418
	3.836	8.888

(*) The Group has consolidated the Bim Stores SARL, which is subsidiary of the Company with 100% ownership, for the first time as of September 30, 2009. As of December 31, 2008, since subsidiary had not started its operations and was not material, the subsidiary was not consolidated and reflected as TL 4.795 in other non-current assets.

c) Other short-term liabilities

	September 30, 2009	December 31, 2008
Income tax and social security taxes payable	**6.645**	6.292
VAT payable	**12.308**	3.531
Other tax and funds payable	**6.359**	6.131
Other	**1.585**	467
	26.897	16.421

27. Shareholders' equity

a) Share capital and capital reserves

As of September 30, 2009 and December 31, 2008, the breakdown of shareholders and their ownership percentages in the Company (all in historical terms) can be summarized as follows:

	September 30, 2009		December 31, 2008	
	Historical amount	**%**	Historical amount	%
Mustafa Latif Topbaş	**14.133**	**18,6**	14.733	19,4
Abdulrahman A. El Khereiji	**11.071**	**14,6**	14.106	18,6
Ahmet Afif Topbaş	**5.886**	**7,8**	5.286	7,0
Zuhair Fayez	**2.994**	**4,0**	2.994	4,0
Firdevs Çizmeci	**900**	**1,1**	900	1,1
Ömer Hulusi Topbaş	**90**	**0,1**	90	0,1
Publicly traded	**40.826**	**53,8**	37.791	49,8
	75.900	**100**	75.900	100

27. Shareholders' equity (continued)

Revaluation fund

(Currency – Thousands of Turkish Lira (TL) unless otherwise indicated. All other currencies are expressed in full amounts unless otherwise indicated)

As of September 30, 2009 and December 31, 2008, Group has revaluation surplus amounting TL 12.874 related to revaluation of land and buildings. The revaluation surplus is not available for distribution to shareholders.

Inflation adjustment on equity items

As of September 30, 2009 and December 31, 2008 inflation adjustment on equity items amounting TL 6.956 is related with inflation adjustment on paid-in share capital as of December 31, 2004.

b) Restricted reserves allocated from profits / prior year profits

The legal reserves consist of first and second legal reserves, in accordance with the Turkish Commercial Code (TCC). The Turkish Commercial Code (TCC) stipulates that the first legal reserve is appropriated out of historical statutory profits at the rate of 5% per annum, until the total reserve reaches 20% of the Company's historical paid-in share capital. The second legal reserve is appropriated at the rate of 10% per annum of all cash distributions in excess of 5% of the historical paid-in share capital. Under TCC, the legal reserves are only available to net-off losses unless they exceed 50% of the historical paid-in share capital otherwise they are not allowed to be used for other purposes.

The statutory accumulated profits and statutory current year profit are available for distribution, subject to the reserve requirements referred to above and Turkish Capital Market Board (CMB) requirements related to profit distribution.

Listed companies are subject to dividend requirements regulated by the Turkish Capital Market Board as follows:

Based on the CMB Decree 7/242, dated February 25, 2005, if the amount of profit distributions calculated in accordance with the net distributable profit requirements of the CMB does not exceed the statutory net distributable profit, the whole amount of distributable profit should be distributed. If it exceeds the statutory net distributable profit, the whole amount of the statutory net distributable profit should be distributed. If loss exists in the financial statements prepared in accordance with CMB regulations or in the statutory financial statements, the profit will not be distributed.

Inflation adjustment to shareholders' equity and book value of extraordinary reserves can be used as an internal source in capital, dividend distribution in cash or net-off against prior years' loss. In case the inflation adjustment to shareholders' equity is used for dividend distribution in cash, the distribution in cash, the distribution is subject to corporate tax.

As of September 30, 2009 and December 31, 2008 legal reserves, prior year profits and net income for the period in statutory accounts of the Company are as follows:

	September 30, 2009	December 31, 2008
Legal reserves	**30.656**	19.469
Prior year profits	**46.593**	8.576
Net income for the period	**160.220**	109.911
	237.469	137.956

(Currency – Thousands of Turkish Lira (TL) unless otherwise indicated. All other currencies are expressed in full amounts unless otherwise indicated)

28. Sales and cost of sales

a) Net sales

The Group's net sales for the nine months period ended September 30, 2009 and 2008 are as follows:

	January 1 - September 30, 2009	**July 1 - September 30, 2009**	January 1 - September 30, 2008	July 1 - September 30, 2008
Domestic sales	**3.922.529**	**1.403.668**	3.187.765	1.153.890
Sales return (-)	**(14.401)**	**(5.151)**	(13.624)	(4.920)
	3.908.128	**1.398.517**	3.174.141	1.148.970

b) Cost of sales

	January 1 – September 30, 2009	**July 1 – September 30, 2009**	January 1 – September 30, 2008	July 1 – September 30, 2008
Beginning inventory	**229.342**	**240.424**	166.066	239.428
Purchases	**3.230.095**	**1.163.240**	2.778.817	1.011.647
Ending inventory	**(252.084)**	**(252.084)**	(283.491)	(283.491)
	3.207.353	**1.151.580**	2.661.392	967.584

29. Selling, marketing and distribution and general and administrative expenses

a) Selling, marketing and distribution expenses

	January 1 - September 30, 2009	**July 1 - September 30, 2009**	January 1 - September 30, 2008	July 1 - September 30, 2008
Personnel expenses	**187.851**	**67.627**	143.141	54.428
Rental expenses	**110.069**	**38.225**	81.914	30.292
Depreciation and amortisation expenses	**36.631**	**12.908**	27.682	10.157
Water, electricity and communication expenses	**33.888**	**13.566**	23.953	10.804
Packaging expenses	**18.554**	**6.765**	17.355	6.723
Advertising expenses	**12.899**	**4.123**	10.096	3.476
Maintenance and repair expenses	**10.633**	**3.473**	10.109	4.210
Provision for employee termination benefit	**1.057**	**356**	762	256
Trucks fuel expense	**11.616**	**4.619**	13.903	5.320
Other marketing and selling expenses	**15.206**	**5.192**	14.563	4.456
	438.404	**156.854**	343.478	130.122

(Currency – Thousands of Turkish Lira (TL) unless otherwise indicated. All other currencies are expressed in full amounts unless otherwise indicated)

29. Selling, marketing and distribution and general and administrative expenses (continued)

b) General and administrative expenses

	January 1 - September 30, 2009	**July 1 - September 30, 2009**	January 1 - September 30, 2008	July 1 - September 30, 2008
Personnel expenses	**43.178**	**14.557**	32.770	11.689
Depreciation and amortisation expenses	**4.281**	**1.207**	3.421	1.255
Money collection expenses	**2.613**	**898**	2.422	911
Legal and consultancy expenses	**2.084**	**623**	1.287	378
Motor vehicle expenses	**2.758**	**1.008**	2.878	1.062
Communication expenses	**803**	**230**	1.016	375
Office supplies expenses	**362**	**139**	402	187
Provision for employee termination benefits	**227**	**72**	164	52
Other general and administrations expenses	**10.674**	**4.142**	11.015	3.704
	66.980	**22.876**	55.375	19.613

30. Expenses as to nature

a) Depreciation and amortization expenses

	January 1 - September 30, 2009	**July 1 - September 30, 2009**	January 1 - September 30, 2008	July 1 - September 30, 2008
Selling and marketing expenses	**36.631**	**12.908**	27.682	10.157
General administrative expenses	**4.281**	**1.207**	3.421	1.255
	40.912	**14.115**	31.103	11.412

b) Personnel expenses

	January 1 - September 30, 2009	**July 1 - September 30, 2009**	January 1 - September 30, 2008	July 1 - September 30, 2008
Wages and salaries	**201.373**	**71.628**	148.165	55.551
Employee termination benefits	**1.284**	**428**	926	308
SSK provisions employee contribution	**29.656**	**10.555**	27.746	10.566
	232.313	**82.611**	176.837	66.425

(Currency – Thousands of Turkish Lira (TL) unless otherwise indicated. All other currencies are expressed in full amounts unless otherwise indicated)

31. Other operating income/expense

a) Other operating income

	January 1 - September 30, 2009	**July 1 - September 30, 2009**	January 1 - September 30, 2008	July 1 - September 30, 2008
Gain on sale of scrap materials	**2.340**	**801**	3.625	1.397
Other income	**5.294**	**858**	2.474	846
	7.634	**1.659**	6.099	2.243

b) Other operating expense

	January 1 - September 30, 2009	**July 1 - September 30, 2009**	January 1 - September 30, 2008	July 1 - September 30, 2008
Loss on sale of property and equipment	**1.165**	**580**	1.066	233
Provision expenses	**477**	**(238)**	1.165	153
Other	**1.211**	**186**	769	229
	2.853	**528**	3.000	615

32. Financial income

	January 1 - September 30, 2009	**July 1 - September 30, 2009**	January 1 - September 30, 2008	July 1 - September 30, 2008
Financial income				
Foreign exchange gains	**618**	**290**	364	301
Income from deposits	**4.662**	**2.153**	1.933	1
Total financial income	**5.280**	**2.443**	2.297	302

33. Financial expenses

	January 1 - September 30, 2009	**July 1 - September 30, 2009**	January 1 - September 30, 2008	July 1 - September 30, 2008
Financial expense				
Finance expense of long-term defined employee benefit plan	**583**	**194**	378	126
Banking finance expense	**497**	**21**	1.475	1.412
Foreign exchange losses	**377**	**212**	648	382
Other financial expense	**27**	**6**	89	15
Total financial expenses	**1.484**	**433**	2.590	1.935

(Currency – Thousands of Turkish Lira (TL) unless otherwise indicated. All other currencies are expressed in full amounts unless otherwise indicated)

34. Asset held for resale and discontinued operations

None (December 31, 2008 - None).

35. Tax assets and liabilities

In Turkey, as of September 30, 2009 corporate tax rate is 20%. Corporate tax returns are required to be filed by the twenty-fifth day of the fourth month following the balance sheet date and taxes must be paid in one installment by the end of the fourth month. The tax legislation provides for a temporary tax of 20% to be calculated and paid based on earnings generated for each quarter. The amounts thus calculated and paid are offset against the final corporate tax liability for the year.

Corporate tax losses can be carried forward for a maximum period of 5 years following the year in which the losses were incurred. The tax authorities can inspect tax returns and the related accounting records for a retrospective maximum period of five years.

15% withholding applies to dividends distributed by resident corporations resident real persons except for, those who are not liable to income and corporation tax, non-resident real persons, non-resident corporations. Dividend distribution by resident corporations to resident corporations is not subject to a withholding tax. Furthermore, in the event the profit is not distributed or included in capital, no withholding tax shall be applicable.

As of September 30, 2009 and December 31, 2008, temporary differences based for deferred tax and deferred tax asset/liability calculated by using applicable tax rates are as follows:

	Balance sheet		Comprehensive income statement	
	September 30, 2009	December 31, 2008	**January 1- September 30, 2009**	January 1- September 30, 2008
Deferred tax liability				
Restatement effect on non-monetary items in accordance with IAS 29	**14.636**	13.406	**1.230**	1.164
Deferred tax asset				
Reserve for employee termination benefit	**(1.453)**	(1.270)	**(183)**	(87)
Other adjustments	**(2.965)**	(1.929)	**(1.036)**	(798)
Deferred tax	**10.218**	10.207	**11**	279

(Currency – Thousands of Turkish Lira (TL) unless otherwise indicated. All other currencies are expressed in full amounts unless otherwise indicated)

35. Tax assets and liabilities (continued)

Movement of net deferred tax liability for the nine months period ended September 30, 2009 and 2008 is presented as follows:

	January 1- September 30, 2009	January 1- September 30, 2008
Opening balance	**10.207**	8.566
Deferred tax expense/(income) recognized in statement of comprehensive income	**11**	279
Balance at the end of period	**10.218**	8.845

Tax reconciliation

	January 1- September 30, 2009	January 1- September 30, 2008
Net income before tax	**203.968**	116.702
Corporation tax at effective tax rate of 20%	**40.794**	23.340
Other	**1.115**	555
Provision for taxes	**41.909**	23.895
- Current	**41.898**	23.616
- Deferred	**11**	279

36. Earnings per share

Basic earnings per share (EPS) is calculated by dividing the net profit for the period by the weighted average number of ordinary shares outstanding during the period. The basic EPS for the period ended September 30, 2009 and 2008 are 1.402 (full TL) and 0,893 (full TL), respectively. All shares of the Company are in same status.

Number of shares	**September 30, 2009**	September 30, 2008
Beginning of the period	**75.900.000**	25.300.000
Number of free shares issued by using internal sources	**-**	50.600.000
Period end	**75.900.000**	75.900.000

(Currency – Thousands of Turkish Lira (TL) unless otherwise indicated. All other currencies are expressed in full amounts unless otherwise indicated)

37. Related party disclosures

a) Due to related parties

Due to related parties balances as of September 30, 2009 and December 31, 2008 are as follows:

Debts related to goods and services received	September 30, 2009	December 31, 2008
Ak Gıda A.Ş. (Ak Gıda) (1)	**49.657**	43.439
Teközel Gıda Tem.Sağ.Mar.Ltd. Şti (Teközel) (1)	**29.063**	18.206
Başak Gıda Dağıtım ve Pazarlama A.Ş. (Başak) (1)	**14.698**	15.263
Marsan Gıda San. ve Tic. A.Ş. (Marsan) (1)	**1.872**	1.837
Natura Gıda San. ve Tic. A.Ş. (Natura) (1)	**6.307**	-
Hedef Tüketim Ürün ve Dış Ticaret A.Ş.(Hedef) (1)	**3.442**	62
Seher Gıda Paz. San. ve Tic. A.Ş. (Seher) (1)	**231**	30
Bahariye Tekstil San. Tic. A.Ş.(1)		4
	105.270	78.841

(1) Companies owned by shareholders of the Company

b) Related party transactions

For the nine month periods ended September 30, 2009 and 2008, summary of the major transactions with related parties are as follows:

(i) Major purchases from related parties during the nine month periods ended September 30, 2009 and 2008 are as follows:

	January 1 - September 30, 2009	January 1 - September 30, 2008
Ak Gıda (1)	**283.036**	235.855
Başak (1)	**101.272**	60.163
Teközel (1)	**124.667**	58.645
Natura (1)	**25.671**	19.801
Marsan (1)	**9.703**	11.113
Hedef (1)	**14.504**	1.682
Bahariye (1)	**1.868**	1.555
Seher (1)	**831**	126
	561.552	388.940

(1) Companies owned by shareholders of the Company

(Currency – Thousands of Turkish Lira (TL) unless otherwise indicated. All other currencies are expressed in full amounts unless otherwise indicated)

37. Related party disclosures (continued)

(ii) For the nine months periods ended September 30, 2009 and 2008 salaries, bonuses and compensations provided to board of directors and key management comprising of 68 and 45 personnel, respectively, are as follows:

	January 1 - September 30, 2009	January 1 - September 30, 2008
Short-term benefits	**9.269**	6.901
Long-term defined benefits	**462**	388
Total gains	**9.731**	7.289

iii) For the nine months periods ended September 30, 2009 and 2008 the company received service from the related party Proline Bilişim Sistemleri ve Ticaret A.Ş. amounting TL 601 and TL 2.423, respectively.

38. Nature and level of risks arising from financial instruments

The Group is exposed to a variety of financial risks, including the effects of changes in debt and equity market prices, foreign currency exchange rates and profit share rates. These risks are market risk (including foreign currency risk and profit share rate risk), credit risk and liquidity risk. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance of the Company.

The Group's principal financial instruments comprise cash and short-term bank loans. The main purpose of using these financial instruments is to raise finance for the Group's operations. The Group has other financial instruments such as trade receivables and payables which arise directly from its operations. The Group manages its capital through cash provided by its operations and review of the maturities of the trade payables.

Price risk

Price risk is a combination of foreign currency, profit share and market risk. The Group naturally manages its price risk by matching the same foreign currency denominated receivable and payables and assets and liabilities bearing profit share. The Group closely monitors its market risk by analyzing the market conditions and using appropriate valuation methods.

Profit share rate risk

The Group does not have material profit share rate sensitive asset. The Group's income and cash flows from operations are independent from profit share rate risk.

The Group's profit share rate risk mainly comprises of outstanding short-term borrowings. The Group's forthcoming loans in order to continue its operating activities are effected from forthcoming profit share ratios.

38. Nature and level of risks arising from financial instruments (continued)

Profit share rate position table

According to IFRS 7 "Financial Assets" effective from January 1, 2007, the profit share rate position of the Group is as following:

Profit share position table		Current period	Prior period
	Fixed-profit share bearing financial instruments		
Financial assets	Financial assets at fair value through profit/loss	-	-
	Available for sale financial assets	-	-
Financial liabilities		-	21.778
	Variable profit share bearing financial instruments		
Financial assets		-	-
Financial liabilities		-	-

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Since the Group is engaged in the retail sector and transactions are mainly on a cash basis or has 1 month maturity, the exposure to credit and price risk is minimal.

Credit risk table (Current period)

	Credit card receivable		Bank deposits	
	Related party	**Other party**	**Related party**	**Other party**
Maximum credit risk exposures of report date				
Maximum risk secured by guarantees	-	-	-	-
A. Net book value of financial assets neither overdue nor impaired	-	152.466	-	135.283

Credit risk table (Prior period)

	Credit card receivable		Bank deposits	
	Related party	**Other party**	**Related party**	**Other party**
Maximum credit risk exposures of report date				
Maximum risk secured by guarantees	-	-	-	-
A. Net book value of financial assets neither overdue nor impaired	-	113.444	-	24.477

(Currency – Thousands of Turkish Lira (TL) unless otherwise indicated. All other currencies are expressed in full amounts unless otherwise indicated)

38. Nature and level of risks arising from financial instruments (continued)

Since the Company does not have material assets and liabilities denominated in foreign currency, the Company does not use derivative instruments for hedging foreign currency risks.

Foreign currency position

As of September 30, 2009 and December 31, 2008, the Group's foreign currency position is as follows:

	September 30, 2009				December 31, 2008			
	TL equivalent	**USD**	**Euro**	**GBP**	TL equivalent	USD	Euro	GBP
Assets								
Banks	**7**	**1.583**	**2.098**	**-**	27	322	12.367	1
Other current assets	**25**	**15.100**	**1.278**	**-**	136	90.100	-	-
Total assets	**32**	**6.683**	**1.278**	**-**	163	90.422	12.367	1
Liabilities								
Other short-term liabilities	**202**	**136.360**	**-**	**-**	203	134.400	-	-
Other long-term liabilities	**3**	**2.000**	**-**	**-**	206	136.360	-	-
Total liabilities	**205**	**138.360**	**-**	**-**	409	270.760	-	-
Net foreign currency position	**(173)**				(246)	-	-	-

Exchange rate risk

The following table demonstrates the sensitivity to a possible change of 10% in the U.S Dollar, Euro and GBP exchange rates, with all other variables held constant, of the Group's profit before tax as of September 30, 2009 and December 31, 2008:

		Increase in exchange rate		**Decrease in exchange rate**	
September 30, 2009	**USD**	**+10%**	**(18)**	**(10%)**	**18**
	Euro	**+10%**	**(1)**	**(10%)**	**1**
	GBP	**+10%**	**-**	**(10%)**	**-**
December 31, 2008	USD	+10%	(27)	(10%)	27
	Euro	+10%	3	(10%)	(3)
	GBP	+10%	-	(10%)	-

Liquidity risk

Prudent liquidity risk management includes maintaining sufficient cash and marketable securities, the availability of funding from an adequate amount of committed credit facilities and the ability to close out market positions.
The ability to fund existing and prospective debt requirements is managed by maintaining the availability of adequate committed funding lines from high quality lenders.

(Currency – Thousands of Turkish Lira (TL) unless otherwise indicated. All other currencies are expressed in full amounts unless otherwise indicated)

38. Nature and level of risks arising from financial instruments (continue)

As of September 30, 2009 and December 31, 2008, maturities of undiscounted trade payables and financial liabilities are as follows (accrual amounts are not included):

September 30, 2009

Contractual maturities	**Book value**	**Total cash outflow**	**Less than 3 months**	**Between 3-12 months**	**Between 1-5 year**	**More than 5 years**
Non derivative financial liabilities						
Bank borrowings	**-**	**-**	**-**	**-**	**-**	**-**
Trade payables	**548.784**	**548.784**	**548.784**			
Due to related parties	**105.941**	**105.941**	**105.941**			
Other liabilities	**29.579**	**29.579**	**29.370**	**209**		

December 31, 2008

Contractual maturities	Book value	Total cash outflow	Less than 3 months	Between 3-12 months	Between 1-5 year	More than 5 year
Non derivative financial liabilities						
Bank borrowings	21.778	21.778	21.778	-	-	-
Trade payables	436.734	436.734	436.734	-	-	-
Due to related parties	79.966	79.966	79.966	-	-	-
Other liabilities	19.194	19.194	18.844	144	206	-

39. Financial instruments (fair value disclosures and disclosures in the frame of hedge accounting)

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 Company using available market information and appropriate valuation methodologies. However, judgment is necessarily required to interpret market data to estimate the fair value. Accordingly, the estimates presented herein are not necessarily indicative of the amounts the Company could realize in a current market exchange.

The Company considers that carrying amounts reflect fair values of the financial instruments.

39. Financial instruments (fair value disclosures and disclosures in the frame of hedge accounting) (continued)

Financial assets

The fair values of certain financial assets carried at cost including cash and cash equivalents profit share accruals and other short term financial assets are considered to approximate their respective carrying values due to their short-term nature. The carrying value of trade receivables along with the related allowance for unearned income and uncollectibility are estimated to be their fair values.

Financial liabilities

Financial liabilities of which fair values approximate their carrying values:

Fair values of 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 with variable rates are considered to approximate their respective carrying values since the profit share 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.

40. Subsequent events

In Extraordinary General Meeting held on November 10, 2009, it is decided to distribute gross TL 34,155 (net TL 29.032) cash dividend from 2008 net profit.

41. Other matters that significantly affect financial statements or are necessary for openness, interpretability and clearness of the financial statements

There is no other matters having significant impact on or requiring explanation in order to provide the clarity, interpretability and perceptibility of the financial statements as of September 30, 2009 and December 31, 2008.