(Convenience translation of financial statements originally issued in Turkish)

BİM Birleşik Mağazalar Anonim Şirketi

Consolidated financial statements at March 31, 2010

(Convenience translation of 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

Consolidated balance sheet
as at March 31, 2010
(Currency – Thousands of Turkish Lira)

Assets

	Notes	Current period March 31, 2010 Unaudited	Prior period December 31, 2009 Audited
Current assets		**797.328**	612.110
Cash and cash equivalents	6	**277.487**	166.542
Trade receivables	10	**190.784**	161.357
Inventories	13	**286.398**	257.851
Other current assets	26	**42.659**	26.360
Non-current assets		**502.265**	487.551
Property and equipment	18	**489.466**	479.093
Intangible assets	19	**3.447**	3.532
Other non-current assets	26	**9.352**	4.926
Total assets		**1.299.593**	1.099.661

The accompanying policies and explanatory notes on pages 6 through 41 form an integral part of the financial statements.

BİM Birleşik Mağazalar Anonim Şirketi and its Subsidiary

Consolidated balance sheet
as at March 31, 2010
(Currency – Thousands of Turkish Lira)

Liabilities and equity

	Notes	Current period March 31, 2010 Unaudited	Prior period December 31, 2009 Audited
Current liabilities		**826.771**	693.078
Trade payables			
- Due to related parties	37	**129.536**	104.826
- Other trade payables	10	**654.259**	548.619
Other current liabilities	26	**20.019**	20.726
Income tax payable	35	**15.928**	11.634
Accrued liabilities	22	**7.029**	7.273
Non-current liabilities		**18.755**	18.528
Reserve for employee termination benefits	24	**7.946**	7.567
Deferred tax liability	35	**10.809**	10.961
Equity		**454.067**	388.055
Equity attributable to parent		**454.067**	388.055
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	**15.704**	15.704
Currency translation difference		**1.034**	1.056
Restricted reserves allocated from profits	27	**34.072**	34.072
Prior year profits	27	**254.367**	41.425
Net income for the period		**66.034**	212.942
Total liabilities and equity		**1.299.593**	1.099.661

The accompanying policies and explanatory notes on pages 6 through 41 form an integral part of the financial statements.

(Convenience translation of financial statements originally issued in Turkish)

BİM Birleşik Mağazalar Anonim Şirketi and its Subsidiary

Consolidated statement of comprehensive income for the period ended March 31, 2010

(Currency – Thousands of Turkish Lira)

	Notes	Current period January 1, - March 31, 2010 Unaudited	Prior period January 1,- March 31, 2009 Unaudited
Continuing operations			
Net sales	28	**1.575.876**	1.223.269
Cost of sales (-)	28	**(1.308.371)**	(998.190)
Gross profit		**267.505**	225.079
Selling, marketing and distribution expenses (-)	29	**(163.570)**	(135.554)
General and administrative expenses (-)	29	**(24.686)**	(21.455)
Other operating income	31	**2.178**	1.927
Other operating expenses (-)	31	**(1.006)**	(732)
Operating profit		**80.421**	69.265
Financial income	32	**3.779**	644
Financial expense (-)	33	**(927)**	(679)
Net income before taxes from continuing operations		**83.273**	69.230
Tax expense for continuing operations			
- Current tax expense for the period	35	**(17.391)**	(13.930)
- Deferred tax expense	35	**152**	(133)
Net income		**66.034**	55.167
Other comprehensive income			
Change in currency translation difference		**(22)**	-
Other comprehensive income (after tax)		**(22)**	-
Total comprehensive income		**66.012**	55.167
Profit for the period attributable to			
Share of the parent		66.034	55.167
Minority interest		**-**	-
Total comprehensive income attributable to			
Share of the parent		**66.012**	55.167
Minority interest			-
Earnings per share attributable to equity holders of the parent (full TL)	36	**0,870**	0,727

The accompanying policies and explanatory notes on pages 6 through 41 form an integral part of the financial statements.

BİM Birleşik Mağazalar Anonim Şirketi and its Subsidiary

Consolidated statement of changes in equity for the period ended March 31, 2010

(Currency – Thousands of Turkish Lira)

	Paid-in share capital	Inflation adjustment on paid-in share capital	Revaluation surplus	Currency translation difference	Restricted reserves allocated from profits	Prior year profits	Net income for the period	Total equity
January 1, 2009	75.900	6.956	12.874	-	19.469	36.724	114.180	266.103
Transfer to prior year profits	-	-	-	-	-	114.180	(114.180)	-
Net income for the period	-	-	-	-		-	55.167	55.167
Total comprehensive income	-	-	-	-	-	-	55.167	55.167
March 31, 2009	75.900	6.956	12.874	-	19.469	150.904	55.167	321.270
January 1, 2010	**75.900**	**6.956**	**15.704**	**1.056**	**34.072**	**41.425**	**212.942**	**388.055**
Transfer to prior year profits	**-**	**-**	**-**	**-**	**-**	**212.942**	**(212.942)**	**-**
Net income for the period	**-**	**-**	**-**	**-**	**-**	**-**	**66.034**	**66.034**
Other comprehensive income	**-**	**-**	**-**	**(22)**	**-**	**-**	**-**	**(22)**
Total comprehensive income	**-**	**-**	**-**	**(22)**	**-**	**-**	**66.034**	**66.012**
March 31, 2010	**75.900**	**6.956**	**15.704**	**1.034**	**34.072**	**254.367**	**66.034**	**454.067**

The accompanying policies and explanatory notes on pages 6 through 41 form an integral part of the financial statements.

BİM Birleşik Mağazalar Anonim Şirketi and its Subsidiary

Statement of consolidated cash flows for the period ended March 31, 2010
(Currency – Thousands of Turkish Lira)

	Notes	Current period January 1, 2010- March 31, 2010 Unaudited	Prior period January 1, 2009- March 31, 2009 Unaudited
Cash flows from operating activities			
Profit before tax		**83.273**	69.230
Adjustments to reconcile profit before tax to net cash provided by operating activities:			
Depreciation and amortization	18, 19	**15.284**	13.093
Profit share income from deposit accounts	32	**(3.586)**	(630)
Financial expense of employee termination benefit	24	**283**	194
Provision for employee termination benefit	24	**617**	428
Loss on sale of property and equipment and intangibles	31	**271**	221
Provision / (reversal) for impairment of inventories	13	**(269)**	(327)
Operating income before working capital changes		**95.873**	82.209
Net working capital changes in:			
Trade receivables		**(29.427)**	(45.742)
Inventories		**(28.278)**	(18.811)
Other current assets		**(16.299)**	(12.429)
Other non-current assets	26	**695**	(2.995)
Other trade payables		**105.640**	63.641
Due to related parties		**24.710**	27.777
Accrued liabilities		**(244)**	472
Other current liabilities		**(707)**	2.843
Other non-current liabilities		**-**	(42)
Income taxes paid		**(13.097)**	(4.083)
Employee termination benefit paid	24	**(521)**	(282)
Net cash generated by operating activities		**138.345**	92.558
Cash flows from investing activities:			
Purchase of property and equipment	18	**(31.735)**	(24.911)
Purchase of intangibles	19	**(180)**	(93)
Proceeds from sale of property and equipment and intangibles		**951**	456
Profit share received from deposit accounts	32	**3.586**	630
Net cash used in investing activities		**(27.378)**	(23.918)
Cash flows from financing activities:			
Dividends paid		**-**	-
Proceeds from bank borrowings		**-**	-
Repayment of bank borrowings		**-**	(21.778)
Net cash used in financing activities		**-**	(21.778)
Currency translation differences		**(22)**	-
Increase/(decrease) in cash and cash equivalents		**110.945**	46.862
Cash and cash equivalents at the beginning of the period		**166.542**	56.447
Cash and cash equivalents at the end of the period		**277.487**	103.309

The accompanying policies and explanatory notes on pages 6 through 41 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

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 Ebubekir Cad. No: 289 Sancaktepe, İstanbul.

The Company is engaged in operating retail stores 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 on May 19, 2008 with 100% ownership in Morocco which is engaged in hard discount retail sector and started to operate on April 11, 2009. BIM Stores SARL financial statements are consolidated by using the full consolidation method as of March 31, 2010.

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

The main and ultimate controlling party of the Group is Mustafa Latif Topbaş. The consolidated financial statements were authorized for issue on May 4, 2010 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 periods ended March 31, 2010 and December 31, 2009, the average number of workers in accordance with their categories is shown below:

	January 1- March 31, 2010	January 1 - December 31, 2009
Office personnel	**1.072**	1.070
Warehouse personnel	**1.824**	1.802
Store personnel	**12.374**	11.669
Total	**15.270**	14.541

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 are prepared in accordance with law and tax legislation in the country it is domiciled.

2. Basis of preparation of financial statements (continued)

The financial statements of the Company have been prepared in accordance with accounting and reporting standards (the CMB Accounting Standards) as prescribed by the Turkish Capital Market Board (the CMB) until December 31, 2007. The CMB has issued communiqué no. XI-25 “Communiqué on Accounting Standards in Capital Markets” which sets out a comprehensive set of accounting principles. In this Communiqué, the CMB stated that alternatively application of accounting standards prescribed by the International Accounting Standards Board (IASB) and International Accounting Standards Committee (IASC) will also be considered to be compliant with the CMB Accounting Standards. Beginning from January 1, 2008, the financial statements are prepared in accordance with International Accounting / Financial Reporting Standards (IAS/IFRS) as prescribed in the CMB communiqué published in the official gazette dated April 9, 2008 and after became effective No:XI-29 "Communiqué on Financial Reporting Standards in Capital Markets" (Communiqué) and from the statutory financial statements with adjustments and reclassifications for the purpose of fair presentation. 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.

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

Changes in accounting policies

Adoption of revised and new standards

The new standards, changes and interpretations of current standards which are effective as of March 31, 2010 are as follows:

IFRS 1 “First-time Adoption of International Financial Reporting Standards” and IAS 27 “Consolidated and Separate Financial Statements” — Cost of an investment in a Subsidiary, Jointly Controlled Entity or Associate (Amendments)

The amendments to IFRS 1 allows an entity to determine the cost of investments in subsidiaries, jointly controlled entities or associates in its opening IFRS financial statements in accordance with IAS 27 or at the fair value of the investment at the date of transition to IFRS, determined in accordance with IAS 39 or at the previous GAAP carrying amount of the investment at the date of transition to IFRS. The amendment does not have any effect on Group’s financial performance.

IFRS 2 Share-based Payment — Vesting Conditions and Cancellations (Amendment)

The purpose of this amendment is to give greater clarity in respect of vesting conditions and cancellations. The standard defines two subjects: a ‘vesting condition’ and a ‘non-vesting condition’. The amendment does not have any effect on Group’s financial performance.

IFRS 7 Financial Instruments: Disclosures (Amendment)

IFRS 7 has been amended to enhance disclosures about fair value measurement and liquidity risk. IFRS 7 now requires instruments measured at fair value to be disclosed by the source of the inputs in determining fair value, using three level hierarchy. Disclosures also require a full reconciliation of Level 3 instruments and transfers between Level 1 and Level 2. The minimum liquidity risk disclosures of IFRS 7 have also been amended. Since the Group does not have any financial asset and liability carried at fair value, the amendment does not have any effect on Group’s financial statements.

2. Basis of preparation of financial statements (continued)

IFRS 8 "Operating Segments"

IFRS 8 replaces IAS 14 Segment Reporting and adopts a full management approach to identifying, measuring and disclosing the results of its operating segments. The information reported is that the management uses internally for evaluating the performance of operating segments and allocating resources to those segments. When the information provided to management is recognized or measured on a different basis to IFRS information presented in the primary financial statements, entities need to provide explanations and reconciliations of the differences. Although the subsidiary operates in Morocco, the sales revenue portion of the subsidiary in the consolidated operations is 0,37% which is less than 10%, therefore the amendment does not have any effect on Group's financial statements.

IAS 1 "Presentation of Financial Statements" (Revised)

IAS 1 has been revised to enhance the usefulness of information presented in the financial statements.

According to the revised IAS 1: the statement of changes in equity includes only transactions with owners, defined as 'holders of instruments classified equity'. All non-owner changes are presented in equity as a single line, with details included in a separate statement. A new statement of comprehensive income that combines all items of income and expense recognized in profit or loss together with 'other comprehensive income' is introduced. Entities may choose to present all items in one statement, or to present two linked statements, a separate income statement and a statement of comprehensive income. The Group presented consolidated income statement and consolidated statement of comprehensive income together in one statement.

IAS 23 Borrowing Costs (Revised)

The revised standard eliminates the option of expensing all borrowing costs and requires borrowing costs to be capitalized if they are directly attributable to the acquisition, construction or production of a qualifying asset. The Group does not have any borrowing costs that should be capitalized as of March 31, 2010.

IAS 32 Financial Instruments: Presentation and IAS 1 — Puttable Financial Instruments and Obligations Arising on Liquidation (Amendments)

This amendment will permit a range of entities to recognize their capital as equity rather than as financial liabilities, as currently required by IAS 32. IAS 1 has been amended to require the additional disclosures if an entity has a puttable instrument that is presented as equity. The amendment does not have any effect on Group's financial statements.

2. Basis of preparation of financial statements (continued)

IFRIC 9 Reassessment of Embedded Derivatives and IAS 39 Financial Instruments: Recognition and Measurement - Embedded Derivatives (Amendments)

According to amendments in IFRIC 9, an entity must assess whether an embedded derivative must be separated from a host contract when the entity reclassifies a hybrid financial asset out of the fair value through profit or loss category. The assessment must be made on the basis of the circumstances that existed on the later of:

(a) The date when the entity first became a party to the contract, and

(b) The date of a change in the terms of the contract that significantly modifies the cash flows that otherwise would have been required under the contract.

The amendment does not have any effect on Group's financial statements.

IFRIC 13 Customer Loyalty Programmes

The interpretation requires loyalty award credits granted to customers in connection with a sales transaction to be accounted for as a separate component of the sales transaction. The amount allocated to the loyalty award credits is determined by reference to their fair value and is deferred until the awards are redeemed or the liability is otherwise extinguished. The amendment does not have any effect on Group's financial statements.

IFRIC 15 Agreements for the Construction of Real Estate

IFRIC 15 provides guidance on how to determine whether an agreement for the construction of real estate is within the scope of IAS 11 "Construction Contracts" or IAS 18 "Revenue" and, accordingly, when revenue from the construction should be recognized. The interpretation does not have any effect on Group's financial performance.

IFRIC 16 Hedges of a Net Investment in a Foreign Operation

IFRIC 16 concludes that the presentation currency does not create an exposure to which an entity may apply hedge accounting. Consequently, a parent entity may designate as a hedged risk only the foreign exchange differences arising from a difference between its own functional currency and that of its foreign operation. The hedging instruments may be held by any entity or entities within the group. The interpretation does not have any effect on Group's financial performance.

IFRIC 18 'Transfer of Assets from Customers'

The Interpretation specifies how the assets such as property, plant and equipment or cash for the construction or acquisition of such items received from the customers should be accounted for. The interpretation does not have any effect on Group's financial performance.

Improvements to IFRSs (issued in 2008)

In May 2008, International Accounting Standards Board (IASB) has issued amendments in order to eliminate the inconsistencies and clarify the explanations related to standards. Transitional provisions and application periods vary for each amendment which is January 1, 2009 for the earliest.

2. Basis of preparation of financial statements (continued)

New and amended standards and interpretations issued that are applicable to December 31, 2010 year-ends:

Amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards - Additional Exemptions for First - Time Adopters'

The amendments will provide relief to entities that are first-time adopters with oil and gas assets or leases by reducing the cost of transition to IFRS. The amendments may be applied earlier than the effective date and this fact must be disclosed. The amendment does not have any effect on Group's financial statements.

Amendments to IFRS 2 'Group Cash Settled Share Based Payment Transactions'

For group reporting and consolidated financial statements, the amendment clarifies that if an entity receives goods or services that are cash settled by shareholders not within the group, they are outside the scope of IFRS 2. Management will need to consider any such past transactions. The amendment may have a significant effect on the cost recognized in separate financial statements of an entity that has material share-based payment awards that have not previously been accounted for in accordance with IFRS 2. This may have a potential tax accounting impact on all parties involved. This amendment is applied retrospectively, in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors in respect of changes in accounting policy. Earlier application is permitted and must be disclosed. The amendment does not have any effect on Group's financial statements.

IFRS 3,'Business Combinations' (Revised) and IAS 27,' Consolidated and Separate Financial Statements' (Amended)

The revised IFRS 3 introduces a number of changes in the accounting for business combinations which will impact the amount of goodwill recognized, the reported results in the period that an acquisition occurs, and future reported results. Such changes include the expensing of acquisition related costs and recognizing subsequent changes in fair value of contingent consideration in the profit or loss (rather than by adjusting goodwill). The amended IAS 27 requires that a change in ownership interest of a subsidiary is accounted for as an equity transaction. Therefore such a change will have no impact on goodwill, nor will it give raise to a gain or loss. Furthermore the amended standard changes the accounting for losses incurred by the subsidiary as well as the loss of control of a subsidiary. The Group anticipates that the change will have no impact on its financial statements.

IAS 39 Financial Instruments: Recognition and Measurement – 'Eligible Hedged Items'

The amendment addresses the designation of a one-sided risk in a hedged item, and the designation of inflation as a hedged risk or portion in particular situations. The amendment does not have any effect on Group's financial statements.

IFRIC 17 'Distributions of Non-cash Assets to Owners'

The Interpretation applies to all non-reciprocal distributions of non-cash assets, including those giving the shareholders a choice of receiving non-cash assets or cash. This interpretation is to be applied prospectively. The interpretation does not have any effect on Company's financial performance.

2. Basis of preparation of financial statements (continued)

Improvements to IFRSs (issued in 2009)

In April 2009, International Accounting Standards Board (IASB) has issued amendments in order to eliminate the inconsistencies and clarify the explanations related to standards. Transitional provisions and application periods vary for each amendment which is July 1, 2009 for the earliest.

- 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 (Applicable to March 31, 2010 year end)
- 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

New and amended standards and interpretations issued that are effective subsequent to December 31, 2010 (these changes have not been endorsed by European Union)

IFRIC 9 ''Reassessment of embedded derivatives'' (Effective for periods beginning on or after January 1, 2013)

IFRS 9 introduces new requirements for classifying and measuring financial assets.

IAS 24 Related Party Disclosures (Revised) (Effective for periods beginning on or after January 1, 2011)

The main changes to IAS 24 are a partial exemption from the disclosure requirements for transactions between a government-controlled reporting entity and that government or other entities controlled by that government and amendments to the definition of a related party.

IFRIC 14 Prepayments of a Minimum Funding Requirement (Amendment) (Effective for periods beginning on or after January 1, 2011, with earlier application permitted)

Without the amendments, in some circumstances entities are not permitted to recognize as an asset some voluntary prepayments for minimum funding contributions. This was not intended when IFRIC 14 was issued, and the amendments correct the problem.

IFRIC 19 Extinguishing Financial Liabilities with Equity Instruments (Effective for periods beginning on or after July 1, 2010, with earlier application permitted)

IFRIC 19 addresses only the accounting by the entity that issues equity instruments in order to settle, in full or in part, a financial liability.

2. Basis of preparation of financial statements (continued)

New and amended standards and interpretations issued that are effective subsequent to December 31, 2010 year-ends (these changes have been endorsed by European Union)

IAS 32 Classification of Rights Issues (Amendment) (Effective for periods beginning on or after February 1, 2010)

The amendment to IAS 32 addresses the accounting for rights issues that are denominated in a currency other than the functional currency of the issuer.

Functional and presentation currency

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

The functional currency of the Company's subsidiary, BIM 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 at the balance sheet date, MAD 1,00 (full) = TL 5,411, 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 5,432. Differences that occur by the usage of closing and average exchange rates are followed under currency translation differences classified under equity.

Basis of consolidation

The consolidated financial statements comprise the financial statements of the parent company and its subsidiary prepared for the year ended March 31, 2010. Subsidiary is consolidated from the date on which control is transferred to the Group. The consolidated financial statements cover BİM and the subsidiary with 100% control.

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 similar 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 in accordance with the CMB Accounting Standards 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.

2. Basis of preparation of financial statements (continued)

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, plant and equipment and intangibles and provision for income taxes.

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 recognized 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

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, 2009 – 10 days) as of balance sheet date, 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. Costs comprise purchase cost and, where applicable and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is determined by the first in first out method.

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

Property and equipment

All property 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 and equipment is stated at cost less accumulated depreciation and accumulated impairment loss. When assets are sold or retired, their cost and accumulated depreciation are eliminated from the related 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.

2. Basis of preparation of financial statements (continued)

The initial cost of property 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 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.

Depreciation is provided on cost or revalued amount of property and equipment on a straight-line basis. The depreciation periods for property 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 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 recognized 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.

2. Basis of preparation of financial statements (continued)

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.

Trade payables

Trade payables which generally have an average of 49 day term (December 31, 2009 - 49 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 that are directly attributable to the acquisition, construction or production of a qualifying asset shall be capitalized as part of the cost of that asset. Such borrowing costs are capitalized as part of the cost of the asset when it is probable that they will result in future economic benefits to the entity and the costs can be measured reliably. Other borrowing costs are recognized as an expense in the period in which they are 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,

2. Basis of preparation of financial statements (continued)

(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 recognized 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/sell 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.

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 amortized cost using the effective interest method. Gains and losses are recognized in income when the loans and receivables are derecognized or impaired, as well as through the amortization process.

Recognition and derecognizing 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 Group derecognizes a financial asset or a portion of it only when the control on rights under the contract is discharged. The Group 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 amortized 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 amortized 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.

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)
March 31, 2010	**1,5215**	**2,0523**
December 31, 2009	1,5057	2,1603

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

i) Provisions

Provisions are recognized 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 recognized in the financial statements but they are disclosed only, unless the possibility of an outflow of resources embodying economic benefits is probable. A contingent asset is not recognized in the financial statements but disclosed when an inflow of economic benefits is probable.

Leases

Operating leases

Leases where the lesser retains substantially all the risks and benefits of ownership of the asset are classified as operating leases. Operating lease payments are recognized 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 Group that gives it significant influence over the Group; or
- (iii) has joint control over the Group;

(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 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 consolidated 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 March 31, 2010 and December 31, 2009, there is no business combination.

4. Business associations

None (December 31, 2009 - None).

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

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. Although the subsidiary of the Group operates in Morocco, the sales revenue portion of the subsidiary in the consolidated operations is 0,37% which is less than 10%, therefore the amendment does not have any effect on Group's financial statements.

6. Cash and cash equivalents

	March 31, 2010	December 31, 2009
Cash on hand	**27.297**	31.173
Banks		
-profit share deposits	**211.847**	111.692
-demand deposits	**28.412**	17.472
Cash in transit	**9.931**	6.205
	277.487	166.542

There is no restricted cash as of March 31, 2010 and December 31, 2009. As of March 31, 2010 gross profit share of percentage from participation banks for TL amounts is 9,4% (December 31, 2009 – 9,5%).

7. Financial investments

The Group does not have any security as of March 31, 2010 and December 31, 2009.

8. Financial liabilities

As of March 31, 2010, the Group does not have any financial liabilities.

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

9. Other financial liabilities

None (December 31, 2009 - None).

10. Trade receivables and payables

a) Trade receivables, net

	March 31, 2010	December 31, 2009
Credit card receivables	**190.131**	160.905
Trade receivables	**1.196**	871
Other receivables	**121**	105
Less: provision for doubtful receivables	**(664)**	(524)
	190.784	161.357

As of March 31, 2010 the average term of trade receivables is 10 days (December 31, 2009 – 10 days).

As of March 31, 2010 and December 31, 2009 , the Group does not have any overdue trade receivables except provision for doubtful receivables.

b) Trade payables, net

	March 31, 2010	December 31, 2009
Other trade payables	**654.259**	548.619
	654.259	548.619

As of March 31, 2010, letters of guarantee and cheque amounting to TL 11.758 and mortgages amounting to TL 14.460 were received from supplier firms (December 31, 2009 – TL 9.677 letters of guarantee and cheque, TL 14.420 mortgages).

11. Other receivables and payables

a) **Other receivables –** As of March 31, 2010 and December 31, 2009, the Group does not have any other short-term and long-term receivables.

b) **Other payables-** As of March 31, 2010 and December 31, 2009, the Group does not have any other 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, 2009 – None).

13. Inventories

	March 31, 2010	December 31, 2009
Trade goods	**271.769**	255.527
Other inventory	**14.629**	2.324
	286.398	257.851

As of March 31, 2010, provision for impairment of inventory amounting to TL 1.930 was recorded (December 31, 2009 – TL 2.199).

14. Biological assets

None (December 31, 2009 - None).

15. Assets related with construction projects in progress

None (December 31, 2009 - None).

16. Investment in associates

None (December 31, 2009 - None).

17. Investment properties

None (December 31, 2009 - None).

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

18. Property and equipment

The movements of property and equipment, the related accumulated depreciation and provision for impairment for the periods ended March 31, 2010 and March 31, 2009 are as follows:

	December 31, 2009	Additions	Disposals	FX Conversion Effect	March 31, 2010
Cost or revalued amount					
Land	**70.752**	**110**	**-**	**-**	**70.862**
Land improvements	**1.784**	**28**	**-**	**-**	**1.812**
Buildings	**118.454**	**816**	**-**	**-**	**119.270**
Machinery and equipment	**229.907**	**9.511**	**(494)**	**(61)**	**238.863**
Vehicles	**46.117**	**3.322**	**(1.690)**	**(8)**	**47.741**
Furniture and fixtures	**95.855**	**4.598**	**(161)**	**(16)**	**100.276**
Leasehold improvements	**163.617**	**7.749**	**(1.013)**	**(82)**	**170.271**
Construction in progress	**17**	**635**	**-**	**-**	**652**
	726.503	**26.769**	**(3.358)**	**(167)**	**749.747**
Less: Accumulated depreciation and provision for impairment					
Land improvements	**(584)**	**(82)**	**-**	**-**	**(666)**
Building	**-**	**(1.349)**	**-**	**-**	**(1.349)**
Machinery and equipment	**(108.804)**	**(4.574)**	**258**	**6**	**(113.114)**
Vehicles	**(22.762)**	**(2.147)**	**1.365**	**1**	**(23.543)**
Furniture and fixtures	**(62.646)**	**(2.978)**	**154**	**1**	**(65.469)**
Leasehold improvements	**(52.614)**	**(3.887)**	**357**	**4**	**(56.140)**
	(247.410)	**(15.017)**	**2.134**	**12**	**(260.281)**
Net book value	**479.093**				**489.466**

	December 31, 2008	Additions	Disposals	March31, 2009
Cost or revalued amount				
Land	44.136	3.682	-	47.818
Land improvements	1.145	2	-	1.147
Buildings	104.730	657	-	105.387
Machinery and equipment	198.219	6.299	(373)	204.145
Vehicles	42.317	1.059	(705)	42.671
Furniture and fixtures	85.511	1.696	(343)	86.864
Leasehold improvements	135.154	6.558	(299)	141.413
Construction in progress	210	344	-	554
	611.422	20.297	(1.720)	629.999
Less: Accumulated depreciation				
Land improvements	(319)	(49)	-	(368)
Building	(3.854)	(1.111)	-	(4.965)
Machinery and equipment	(92.797)	(3.837)	110	(96.524)
Vehicles	(17.172)	(2.042)	539	(18.675)
Furniture and fixtures	(52.901)	(2.578)	307	(55.172)
Leasehold improvements	(40.167)	(3.268)	87	(43.348)
	(207.210)	(12.885)	1.043	(219.052)
Net book value	404.212			410.947

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

18. Property and equipment (continued)

The land and buildings were revalued and reflected into the financial statements with their 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 March 31, 2010 and December 31, 2009 respectively are as follows:

	Land and buildings	
	March 31, 2010	December 31, 2009
Cost	**186.321**	185.395
Accumulated depreciation	**(13.507)**	(12.024)

As of March 31, 2010 and December 31, 2009 , the gross carrying amount of property and equipment and intangibles, which are fully depreciated, but still in use, is as follows:

	March 31, 2010	December 31, 2009
Furniture and fixtures	**39.618**	38.915
Machinery and equipment	**55.408**	54.513
Intangible assets and leasehold improvements	**17.648**	16.561
Vehicles	**4.032**	3.932
Land improvements	**173**	173
	116.879	114.094

Pledges and mortgages on assets

As of March 31, 2010 and December 31, 2009, there is no a pledge or mortgage on property 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 periods ended March 31, 2010 and March 31, 2009 are as follows:

	December 31, 2009	**Additions**		**March 31, 2010**
Cost				
Rights	**8.328**	**205**	**(4)**	**8.529**
Other intangibles	**1.262**	**-**	**(36)**	**1.226**
	9.590	**205**	**(40)**	**9.755**
Accumulated amortization				
Rights	**(5.434)**	**(194)**	**-**	**(5.628)**
Other intangibles	**(624)**	**(73)**	**17**	**(680)**
	(6.058)	**(267)**	**17**	**(6.308)**
Net book value	**3.532**			**3.447**

	December 31, 2008	Additions	March 31, 2009
Cost			
Rights	7.386	93	7.479
Other intangibles	329	-	329
	7.715	93	7.808
Accumulated amortization			
Rights	(4.603)	(208)	(4.811)
Other intangibles	(324)	-	(324)
	(4.927)	(208)	(5.135)
Net book value	2.788		2.673

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

Major part of the rights is software licenses.

20. Goodwill

None (December 31, 2009 - None).

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

21. Government incentives and grants

Investment incentives

As of March 31, 2010 and December 31, 2009, the Group does not have any investment incentive.

22. Provisions, contingent assets and liabilities

Other provisions for accruals

As of March 31, 2010 and December 31, 2009, the Group has TL 2.164 and TL 2.873 provisions for telephone, electricity, water and other short term liabilities, respectively.

Legal issues

As of March 31, 2010 and December 31, 2009, the total amount of outstanding lawsuits filed against the Group is TL 4.865 and TL 4.400 in historical terms, respectively, for which the Group set full provision in the related periods.

Letter of guarantees, mortgages and pledges given by the Group

As of March 31, 2010 and December 31, 2009, breakdown of the guarantees, mortgage and pledges given by the Group is as follows:

	March 31, 2010	December 31, 2009
A. Total amount of guarantees, mortgages and pledges provided by the Group on behalf of itself	**11.712**	1.268
B. Total amount of guarantees, mortgages and pledges provided on behalf of the associates accounted under full consolidation method	**1.973**	1.702
C. Provided on behalf of third parties in order to maintain operating activities to secure third party payables	**-**	-
D. Other guarantees, mortgages and pledges given	**-**	-
Total	**13.685**	2.970

Insurance coverage on assets

As of March 31, 2010 and December 31, 2009, insurance coverage on assets of the Group is TL 448.020 and TL 441.254, 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 March 31, 2010 and December 31, 2009, the Group has operating lease commitments for each of the following years:

	March 31, 2010	December 31, 2009
Not later than one year	**-**	-
Later than one year and not later than five years	**92**	108
Later than five years	**26**	28

24. Employee termination benefits

Reserve for employee termination benefits

In accordance with existing social legislation, the Company 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 2.427 (full TL) and TL 2.365 (full TL) at March 31, 2010 and December 31, 2009 , 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 March 31, 2010 and December 31, 2009 .

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 – March 31, 2010	January 1 – March 31, 2009
Current service cost	**617**	428
Financial expense of employee termination benefit	**283**	194
Total expense	**900**	622

Provision for employee termination benefits:	**January 1 – March 31, 2010**	January 1 – December 31, 2009
Defined benefit obligation	**10.808**	10.429
Unrecognized actuarial (gains) / losses	**(2.862)**	(2.862)
	7.946	7.567

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

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

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

	January 1 – March 31, 2010	January 1 – March 31, 2009
Beginning balance	**10.429**	6.629
Financial expense of employee termination benefit	**283**	194
Current service cost	**617**	428
Benefits paid	**(521)**	(282)
Balance at period end	**10.808**	6.969

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

	March 31, 2010	December 31, 2009
Discount rate	**11%**	11%
Expected rate of salary/limit increases	**4,8%**	4,8%

25. Employee pension plans

None (December 31, 2009 - None).

26. Other assets and liabilities

a) Other current assets

	March 31, 2010	December 31, 2009
Advances given	**32.541**	18.402
Prepaid expenses	**7.785**	5.694
VAT receivable	**1.972**	1.826
Other	**361**	438
	42.659	26.360

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

26. Other assets and liabilities (continued)

b) Other non-current assets

	March 31, 2010	December 31, 2009
Advances given for tangible asset purchases	**6.845**	1.724
Other	**2.507**	3.202
	9.352	4.926

c) Other short-term liabilities

	March 31, 2010	December 31, 2009
Income tax and social security taxes payable	**7.061**	6.343
VAT payable	**5.329**	6.317
Other tax and funds payable	**6.469**	7.165
Other	**1.160**	901
	20.019	20.726

As of March 31, 2010 and December 31,2009, the Group does not have any other long-term liability.

27. Shareholders' equity

a) Share capital and capital reserves

As of March 31, 2010 and December 31, 2009, the breakdown of shareholders and their ownership percentages in the Company (all in historical terms) are summarized as follows:

	March 31, 2010		December 31, 2009	
	Historical amount	**%**	Historical amount	%
Mustafa Latif Topbaş	**13.633**	**18,0**	14.133	18,6
Abdulrahman A. El Khereiji	**10.311**	**13,6**	10.311	13,6
Ahmet Afif Topbaş	**6.386**	**8,4**	5.886	7,8
Zuhair Fayez	**2.994**	**3,9**	2.994	3,9
Firdevs Çizmeci	**900**	**1,2**	900	1,2
Ömer Hulusi Topbaş	**90**	**0,1**	90	0,1
Publicly traded	**41.586**	**54,8**	41.586	54,8
	75.900	**100**	75.900	100

The Company's share capital is fully paid and consists of 75.900.000 shares of TL 1 nominal value.

Revaluation fund

As of March 31, 2010 , Group has revaluation surplus amounting TL 15.704 (December 31, 2009 – TL 15.704) related to revaluation of land and buildings. The revaluation surplus is not available for distribution to shareholders.

Inflation adjustment on equity items

As of March 31, 2010 and December 31, 2009 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, per the Turkish Commercial Code (TCC). The TCC stipulates that the first legal reserve is appropriated out of net 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 not available for distribution unless they exceed 50% of the historical paid-in share capital but may be used to offset losses in the event that historical general reserve is exhausted.

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:

In accordance with the Capital Market Board decision number 1/6 dated January 9, 2009, during the calculation of distributable profits by the companies obliged to prepare financial statements; the companies can determine the amount of distributable profits by taking into account the net profit on the financial statements that are prepared and announced to the public according to No:XI-29 "Communiqué on Financial Reporting Standards in Capital Markets" which includes profits from associates, joint ventures and subsidiaries that are transferred to the profit of the Company, regardless of whether these companies' general assembly approved any dividend distributions, as soon as these distributable profits can be funded by the reserves in the statutory accounts of the companies.

In accordance with the Capital Market Board decision in January 27, 2010, it is decided that there is no dividend distribution requirements for the listed companies whose shares are traded on the stock exchange.

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 is subject to corporate tax.

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

27. Shareholders' equity (continued)

As of March 31, 2010 and December 31, 2009 legal reserves, prior year profits and net income for the period in statutory accounts of the Company are as follows:

	March 31, 2010	December 31, 2009
Legal reserves	**34.072**	34.072
Prior year profits	**225.121**	9.023
Net income for the period	**68.904**	216.098
	328.097	259.193

At the General Assembly meeting held on April 22, 2010, it is decided to distribute cash dividend from 2009 profit amounting to TL 132.825.

28. Sales and cost of sales

a) Net sales

The Group's net sales for the periods ended March 31, 2010 and March 31, 2009 are as follows:

	January 1 - March 31, 2010	January 1 - March 31, 2009
Domestic sales	**1.575.186**	1.227.533
Sales in abroad	**5.762**	-
Sales return (-)	**(5.072)**	(4.264)
	1.575.876	1.223.269

b) Cost of sales

	January 1 - March 31, 2010	January 1 - March 31, 2009
Beginning inventory	**255.527**	229.342
Purchases	**1.324.613**	1.006.306
Ending inventory	**(271.769)**	(237.458)
	1.308.371	998.190

(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

a) Selling, marketing and distribution expenses

	January 1 - March 31, 2010	January 1 - March 31, 2009
Personnel expenses	**69.691**	57.554
Rent expenses	**41.072**	34.795
Depreciation and amortization expenses	**13.702**	11.653
Water, electricity and communication expenses	**10.712**	10.012
Packaging expenses	**8.048**	5.954
Advertising expenses	**5.432**	3.827
Trucks fuel expense	**5.128**	3.285
Maintenance and repair expenses	**3.619**	3.420
Provision for employee termination benefit	**507**	347
Other selling and marketing expenses	**5.659**	4.707
	163.570	135.554

b) General and administrative expenses

	January 1 - March 31, 2010	January 1 - March 31,2009
Personnel expenses	**16.044**	13.936
Depreciation and amortization expenses	**1.582**	1.440
Money collection expenses	**922**	889
Legal and consultancy expenses	**776**	639
Motor vehicle expenses	**1.112**	772
Communication expenses	**240**	284
Office supplies expenses	**115**	93
Provision for employee termination benefits	**110**	81
Other general and administrations expenses	**3.785**	3.321
	24.686	21.455

30. Expenses as to nature

a) Depreciation and amortization expenses

	January 1 - March 31, 2010	January 1 - March 31, 2009
Selling, marketing and distribution expenses	**13.702**	11.653
General and administrative expenses	**1.582**	1.440
	15.284	13.093

(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) Personnel expenses

	January 1 - March 31, 2010	January 1 - March 31, 2009
Wages and salaries	**74.816**	60.094
Provision for employee termination benefits	**617**	428
Social security premiums - employer contribution	**10.919**	11.396
	86.352	71.918

31. Other operating income and expense

a) Other operating income

	January 1 - March 31, 2010	January 1 - March 31, 2009
Gain on sale of scrap materials	**1.040**	773
Other income	**1.138**	1.154
	2.178	1.927

b) Other operating expense

	January 1 - March 31, 2010	January 1 - March 31, 2009
Loss on sale of property and equipment	**271**	221
Provision expenses	**546**	316
Other expense	**189**	195
	1.006	732

32. Financial income

	January 1 - March 31, 2010	January 1 - March 31, 2009
Financial income		
Income on profit share account - deposits	**3.586**	630
Foreign exchange gains	**193**	14
Total financial income	**3.779**	644

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

33. Financial expenses

	January 1 - March 31, 2010	January 1 - March 31, 2009
Financial expense		
Finance charge on employee termination benefit	**283**	194
Banking charges	**22**	462
Foreign exchange losses	**617**	7
Other financial expense	**5**	16
Total financial expenses	**927**	679

34. Asset held for resale and discontinued operations

None (December 31, 2009 - None).

35. Tax assets and liabilities

As of March 31, 2010 and December 31, 2009 provision for taxes of the Group is as follows:

	March 31, 2010	December 31, 2009
Current period tax provision	**17.391**	54.777
Prepaid taxes	**(1.463)**	(43.143)
Corporate tax payable	**15.928**	11.634

In Turkey, as of March 31, 2010 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.

(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)

As of March 31, 2010 and December 31, 2009 , 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	
	March 31, 2010	December 31, 2009	**January 1- March 31, 2010**	January 1- March 31, 2009
Deferred tax liability				
Restatement effect on non-monetary items in accordance with IAS 29	**15.212**	15.192	**20**	134
Deferred tax asset				
Reserve for employee termination benefit	**(1.577)**	(1.500)	**(77)**	(68)
Other adjustments	**(2.826)**	(2.731)	**(95)**	67
Deferred tax	**10.809**	10.961	**(152)**	133

Movement of net deferred tax liability for the periods ended March 31, 2010 and March 31, 2009 is presented as follows:

	January 1- March 31, 2010	January 1- March 31, 2009
Opening balance	**10.961**	10.207
Deferred tax expense/(income) recognized in statement of comprehensive income	**(152)**	133
Balance at the end of period	**10.809**	10.340

Tax reconciliation

	January 1- March 31, 2010	January 1- March 31, 2009
Net income before tax	**83.273**	69.230
Corporation tax at effective tax rate of 20%	**(16.655)**	(13.846)
Disallowable expenses	**(142)**	(126)
Effect of non-tax deductible and tax exempt items	**10**	3
Other	**(452)**	(94)
Provision for taxes	**(17.239)**	(14.063)
- Current	**(17.391)**	(13.930)
- Deferred	**152**	(133)

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

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 March 31, 2010 and 2009 are 0,870 (full TL) and 0,727 (full TL), respectively. All shares of the Company are in same status.

37. Related party disclosures

a) Due to related parties

Due to related parties balances as of March 31, 2010 and December 31, 2009 are as follows:

Payables related to goods and services received

	March 31, 2010	December 31, 2009
Ak Gıda A.Ş. (Ak Gıda) (1)	**62.347**	50.939
Teközel Gıda Tem.Sağ.Mar.Ltd. Şti (Teközel) (1)	**39.244**	29.874
Başak Gıda Dağıtım ve Pazarlama A.Ş. (Başak) (1)	**17.357**	14.089
Hedef Tüketim Ürün ve Dış Ticaret A.Ş.(Hedef) (1)	**3.235**	6.283
Marsan Gıda San. ve Tic. A.Ş. (Marsan) (1)	**2.654**	2.281
Natura Gıda San. ve Tic. A.Ş. (Natura) (1)	**4.436**	998
Seher Gıda Paz. San. ve Tic. A.Ş. (Seher) (1)	**263**	353
Bahariye Tekstil San. Tic. A.Ş. (1)	**-**	9
	129.536	104.826

(1) Companies owned by shareholders of the Company

b) Related party transactions

For the periods ended March 31, 2010 and 2009, summary of the major transactions with related parties are as follows:

(i) Purchases from related parties during the periods ended March 31, 2010 and 2009 are as follows:

	January 1 - March 31, 2010	January 1 - March 31, 2009
Ak Gıda (1)	**122.658**	94.724
Başak (1)	**43.604**	34.869
Teközel (1)	**50.625**	42.375
Natura (1)	**4.537**	2.315
Marsan (1)	**3.855**	3.855
Hedef (1)	**6.203**	2.082
Bahariye (1)	**-**	-
Seher (1)	**472**	63
	231.954	180.283

(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)

b) Related party transactions (continued)

(ii) For the periods ended March 31, 2010 and March 31, 2009 salaries, bonuses and compensations provided to board of directors and key management comprising of 68 and 47 personnel, respectively, are as follows:

	January 1 - March 31, 2010	January 1 - March 31, 2009
Short-term benefits	**3.579**	3.410
Long-term defined benefits	**485**	128
Total benefits	**4.064**	3.538

iii) For the periods ended March 31, 2010 and 2009 the Company received service from the related party, Proline Bilişim Sistemleri ve Ticaret A.Ş. amounting TL 170 and TL 164, 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 Group'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 Group.

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 in the prior period. The Group's forthcoming loans in order to continue its operating activities are effected from forthcoming profit share ratios.

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

Profit share rate position table

According to IFRS 7 "Financial Assets", the profit share rate position of the Group is as follows:

Profit share position table		Current period	Prior period
	Fixed-profit share bearing financial instruments		
Financial assets	Financial assets at fair value through profit/loss	**211.847**	111.692
	Available for sale financial assets	**-**	-
Financial liabilities		**-**	-
	Variable profit share bearing financial instruments		
Financial assets		**-**	-
Financial liabilities		**-**	-

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

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 credit card collections, 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 as of report date	-	**190.131**	-	240.259
Maximum risk secured by guarantees	-	-	-	-
A. Net book value of financial assets neither overdue nor impaired	-	**190.131**	-	240.259

Credit risk table (31.12.2009)

	Credit card receivable		Bank deposits	
	Related party	Other party	Related party	Other party
Maximum credit risk exposures as of report date	-	160.905	-	129.164
Maximum risk secured by guarantees	-	-	-	-
A. Net book value of financial assets neither overdue nor impaired	-	160.905	-	129.164

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

(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)

Foreign currency position

As of March 31, 2010 and December 31, 2009, the Group's foreign currency position is as follows:

	March 31, 2010				December 31, 2009			
	TL equivalent	**USD**	**Euro**	**GBP**	TL equivalent	USD	Euro	GBP
Assets								
Banks	**25**	**5.882**	**7.647**	**-**	9	1.171	3.204	-
Other current assets	**28**	**16.500**	**1.278**	**-**	12	6.100	1.278	-
Total assets	**53**	**22.382**	**8.925**	**-**	21	7.271	4.482	-
Liabilities								
Other short-term liabilities	**223**	**146.363**	**-**	**-**	213	141.532	-	-
Other long-term liabilities	**-**	**-**	**-**	**-**	-	-	-	-
Total liabilities	**223**	**146.363**	**-**	**-**	213	141.532	-	-
Net foreign currency position	**(170)**				(192)			

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 March 31, 2010 and December 31, 2009:

		Increase in exchange rate		Decrease in exchange rate	
March 31, 2010	**USD**	**+10%**	**(38)**	**(10%)**	**38**
	Euro	**+10%**	**4**	**(10%)**	**(4)**
	GBP	**+10%**	**-**	**(10%)**	**-**
December 31, 2009	USD	+10%	(20)	(10%)	20
	Euro	+10%	1	(10%)	(1)
	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 March 31, 2010 and December 31, 2009 , maturities of undiscounted trade payables and financial liabilities are as follows:

March 31, 2010

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	658.379	658.379	658.379	-	-	-
Due to related parties	130.342	130.342	130.342	-	-	-

December 31, 2009

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	-	-	-	-	-	-
Trade payables	552.263	552.263	552.263	-	-	-
Due to related parties	105.525	105.525	105.525	-	-	-

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 Group 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 Group could realize in a current market exchange.

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

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.

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

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 the General Assembly meeting held on April 22, 2010, it is decided to distributed cash dividend from 2009 profit amounting to TL 132.825 and increasing the share capital to TL 151.800 from internal sources.

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 March 31, 2010 and December 31, 2009 .