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

BİM Birleşik Mağazalar Anonim Şirketi

Interim consolidated financial statements for the period between January 1 - June 30, 2011 together with independent auditors' review report

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

BİM Birleşik Mağazalar Anonim Şirketi and its Subsidiary

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Independent auditors' review report on the financial statements for the period between January 1- June 30, 2011

To the Shareholders of
BİM Birleşik Mağazalar Anonim Şirketi

Introduction

We have reviewed the accompanying interim consolidated balance sheet of BİM Birleşik Mağazalar Anonim Şirketi (the Company) and its subsidiary (together will be referred to as “the Group”) as of June 30, 2011 and the interim consolidated comprehensive income statement, interim consolidated statement of changes in equity and interim consolidated statement of cash flows for the six month period then ended and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and fair presentation of these interim consolidated financial statements in accordance with financial reporting standards published by the Capital Markets Board. Our responsibility is to express a conclusion on these interim consolidated financial statements based on our review.

Scope of review

Our review was conducted in accordance with auditing standards published by the Capital Markets Board. A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with auditing standards published by the Capital Market Board and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion as a result of our review.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim consolidated financial statements are not prepared, in all material respects, in accordance with financial reporting standards issued by Capital Markets Board.

Additional paragraph for convenience translation to English :

As of June 30, 2011, the accounting principles described in Note 2 (defined as financial reporting standards published by the Capital Markets Board) to the accompanying interim consolidated financial statements differ from International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board with respect to the application of inflation accounting and presentation of the basic financial statements and the notes to them. Accordingly, the accompanying interim consolidated financial statements are not intended to present the financial position and results of operations in accordance with IFRS.

Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi
A member firm of Ernst & Young Global Limited

Ethem Kutucular, SMMM
Partner

August 18, 2011
Istanbul, Turkey

BİM Birleşik Mağazalar Anonim Şirketi and its Subsidiary

Interim consolidated balance sheet
as at June 30, 2011
(Currency – Thousands of Turkish Lira)

Assets

	Notes	**Current period** **Reviewed** **June 30, 2011**	Prior period Audited December 31, 2010
Current assets		**865.867**	814.785
Cash and cash equivalents	6	**208.864**	257.571
Trade receivables	10	**221.154**	192.453
Inventories	13	**392.151**	335.999
Other current assets	26	**43.698**	28.762
Non-current assets		**614.683**	557.283
Property, plant and equipment	18	**600.872**	549.338
Intangible assets	19	**2.945**	2.759
Deferred tax assets	35	**549**	349
Other non-current assets	26	**10.317**	4.837
Total assets		**1.480.550**	1.372.068

The accompanying policies and explanatory notes on pages 7 through 46 form an integral part of the financial statements.

BİM Birleşik Mağazalar Anonim Şirketi and its Subsidiary

Interim consolidated balance sheet
as at June 30, 2011
(Currency – Thousands of Turkish Lira)

Liabilities and equity

	Notes	Current period Reviewed June 30, 2011	Prior period Audited December 31, 2010
Current liabilities		**1.000.826**	853.070
Financial liabilities	8	**37.900**	7.662
Trade payables			
- Due to related parties	37	**100.912**	97.365
- Other trade payables	10	**813.285**	701.398
Other current liabilities	26	**24.905**	23.259
Income tax payable	35	**14.441**	15.716
Accrued liabilities	22	**9.383**	7.670
Non-current liabilities		**20.171**	18.566
Reserve for employee termination benefits	24	**11.374**	9.523
Deferred tax liability	35	**8.797**	9.043
Equity		**459.553**	500.432
Equity attributable to parent		**459.553**	500.432
Paid-in share capital	27	**151.800**	151.800
Revaluation surplus	27	**15.704**	15.704
Currency translation difference		**(93)**	618
Restricted reserves allocated from profits	27	**81.449**	51.599
Prior year profits	27	**68.701**	35.071
Net income for the period		**141.992**	245.640
Total liabilities and equity		**1.480.550**	1.372.068

The accompanying policies and explanatory notes on pages 7 through 46 form an integral part of the financial statements.

BİM Birleşik Mağazalar Anonim Şirketi and its Subsidiary

Interim consolidated comprehensive income statement for the six-month period ended June 30, 2011
(Currency – Thousands of Turkish Lira)

	Notes	Current period Reviewed January 1 - June 30, 2011	Current period April 1 - June 30, 2011	Prior period Reviewed January 1 - June 30, 2010	Prior period April 1 - June 30, 2011
Continuing operations					
Net sales	28	**3.813.807**	**1.935.859**	3.129.818	1.553.942
Cost of sales (-)	28	**(3.194.173)**	**(1.629.937)**	(2.608.624)	(1.300.253)
Gross profit		**619.634**	**305.922**	521.194	253.689
Selling, marketing and distribution expenses (-)	29	**(397.401)**	**(205.410)**	(339.932)	(176.362)
General and administrative expenses (-)	29	**(58.106)**	**(29.932)**	(50.630)	(25.944)
Other operating income	31	**5.937**	**3.202**	5.172	2.994
Other operating expenses (-)	31	**(1.949)**	**(797)**	(2.622)	(1.616)
Operating profit		**168.115**	**72.985**	133.182	52.761
Financial income	32	**12.842**	**6.578**	7.324	3.545
Financial expense (-)	33	**(1.813)**	**(1.076)**	(2.118)	(1.190)
Net income before taxes from continuing operations		**179.144**	**78.487**	138.388	55.116
Tax income/(expense) for continuing operations					
- Tax expense for the period	35	**(37.549)**	**(16.467)**	(28.979)	(11.588)
- Deferred tax expense	35	**397**	**141**	2.388	2.235
Net income		**141.992**	**62.161**	111.797	45.763
Other comprehensive income:					
Currency translation difference		**(711)**	**(209)**	(267)	(245)
Other comprehensive income		**(711)**	**(209)**	(267)	(245)
Total comprehensive income		**141.281**	**61.952**	111.530	45.518
Profit for the period attributable to					
Minority interest		**-**	**-**	-	-
Share of the parent		**141.992**	**62.161**	111.797	45.763
Total comprehensive income attributable to					
Minority interest		**-**	**-**	-	-
Share of the parent		**141.281**	**61.952**	111.530	45.518
Weighted average number of shares (each equals to TL 1)		**151.800.000**	**151.800.000**	151.800.000	151.800.000
Earnings per share (full TL)	36	**0,935**	**0,409**	0,736	0,301

The accompanying policies and explanatory notes on pages 7 through 46 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 six-month period ended June 30, 2011
(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
At 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)	-
Transfer to restricted reserves allocated from profits	-	-	-	-	17.527	(17.527)	-	-
Capital issue	75.900	(6.956)	-	-	-	(68.944)	-	-
Dividends paid	-	-	-	-	-	(132.825)	-	(132.825)
Net income for the period	-	-	-	-	-	-	111.797	111.797
Other comprehensive income	-	-	-	(267)	-	-	-	(267)
Total comprehensive income	-	-	-	(267)	-	-	111.797	111.530
At June 30, 2010	151.800	-	15.704	789	51.599	35.071	111.797	366.760
At January 1, 2011	**151.800**	**-**	**15.704**	**618**	**51.599**	**35.071**	**245.640**	**500.432**
Transfer to prior year profits	**-**	**-**	**-**	**-**	**-**	**245.640**	**(245.640)**	**-**
Transfer to restricted reserves allocated from profits	**-**	**-**	**-**	**-**	**29.850**	**(29.850)**	**-**	**-**
Dividends paid (Note 27)	**-**	**-**	**-**	**-**	**-**	**(182.160)**	**-**	**(182.160)**
Net income for the period	**-**	**-**	**-**	**-**	**-**	**-**	**141.992**	**141.992**
Other comprehensive income	**-**	**-**	**-**	**(711)**	**-**	**-**	**-**	**(711)**
Total comprehensive income	**-**	**-**	**-**	**(711)**	**-**	**-**	**141.992**	**141.281**
At June 30, 2011	**151.800**	**-**	**15.704**	**(93)**	**81.449**	**68.701**	**141.992**	**459.553**

The accompanying policies and explanatory notes on pages 7 through 46 form an integral part of the financial statements.

BİM Birleşik Mağazalar Anonim Şirketi and its Subsidiary

Statement of consolidated cash flows
for the six-month period ended June 30, 2011
(Currency – Thousands of Turkish Lira)

	Notes	Current period January 1, 2011- June 30, 2011 Reviewed	Prior period January 1, 2010- June 30, 2010 Reviewed
Cash flows from operating activities			
Profit before tax		**179.144**	138.388
Adjustments to reconcile profit before tax to net cash provided by operating activities:			
Depreciation and amortization	18, 19	**37.007**	31.271
Profit share income from deposit accounts	32	**(8.671)**	(7.025)
Allowance for doubtful receivable, net	10	**13**	176
Financial expense of employee termination benefit	24	**1.101**	566
Provision for employee termination benefit	24	**1.878**	1.218
Loss on sale of property and equipment and intangibles	31	**27**	853
Accrued liability	18, 31	**1.713**	(665)
Provision / (reversal) for impairment of inventories	13	**1.036**	299
Operating income before working capital changes		**213.248**	165.081
Net working capital changes in:			
Trade receivables		**(28.714)**	(8.019)
Inventories		**(57.188)**	(49.757)
Other current assets		**(14.936)**	(18.788)
Other non-current assets	26	**78**	313
Other trade payables		**111.887**	118.132
Due to related parties		**3.547**	(10.898)
Other current liabilities		**1.646**	(1.384)
Income taxes paid		**(38.824)**	(30.650)
Employee termination benefit paid	24	**(1.128)**	(978)
Net cash generated by operating activities		**189.616**	163.052
Cash flows from investing activities:			
Purchase of property and equipment	18	**(89.706)**	(70.493)
Purchase of intangibles	19	**(672)**	(529)
Advances given for purchase of property and equipment		**(5.558)**	(14.704)
Proceeds from sale of property and equipment and intangibles		**2.726**	2.433
Profit share received from deposit accounts		**8.400**	6.551
Net cash used in investing activities		**(84.810)**	(76.742)
Cash flows from financing activities:			
Dividends paid		**(182.160)**	(132.825)
Proceeds from bank borrowings	8	**30.238**	34.913
		-	
Net cash used in financing activities		**(151.922)**	(97.912)
Currency translation differences		**(1.862)**	246
Increase in cash and cash equivalents		**(48.978)**	(11.356)
Cash and cash equivalents at the beginning of the year		**257.019**	166.542
Cash and cash equivalents at the end of the year	6	**208.041**	155.186

The accompanying policies and explanatory notes on pages 7 through 46 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: 73 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 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 June 30, 2011.

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 August 18, 2011 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 six-month period ended June 30, 2011 and 2010, the average number of workers is shown below:

	January 1- June 30, 2011	January 1 - June 30, 2010
Office personnel	**1.238**	1.096
Warehouse personnel	**2.009**	1.885
Store personnel	**14.895**	13.129
Total	**18.142**	16.110

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, provision for litigations against the Group 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

The accounting policies adopted in the preparation of the Group’s interim consolidated financial statements are consistent with those followed in the preparation of the Group’s annual financial statements for the year ended 31 December 2010, except for the adoption of new standards and interpretations noted below. The effects of these standards and interpretations on the Group’s financial position and performance have been disclosed in the related paragraphs.

The new standards, amendments and interpretations which are effective as at January 1, 2011 are as follows:

IFRIC 19 Extinguishing Financial Liabilities with Equity Instruments

This interpretation addresses the accounting treatment when there is a renegotiation between the entity and the creditor regarding the terms of a financial liability and the creditor agrees to accept the entity’s equity instruments to settle the financial liability fully or partially. IFRIC 19 clarifies such equity instruments are “consideration paid” in accordance with paragraph 41 of IAS 39. As a result, the financial liability is derecognized and the equity instruments issued are treated as consideration paid to extinguish that financial liability.

IFRIC 14 Prepayments of a Minimum Funding Requirement (Amended)

The purpose of this amendment was to permit entities to recognize as an asset some voluntary prepayments for minimum funding contributions.

2. Basis of preparation of financial statements (continued)

IAS 32 Classifications on Rights Issues (Amended)

This amendment relates to the rights issues offered for a fixed amount of foreign currency which were treated as derivative liabilities by the existing standard. The amendment states that if certain criteria are met, these should be classified as equity regardless of the currency in which the exercise price is denominated.

IAS 24 Related Party Disclosures (Amended)

Amended standard clarified the definition of a related party to simplify the identification of such relationships and to eliminate inconsistencies in its application. The revised standard introduces a partial exemption of disclosure requirements for government-related entities.

IFRS 1 Limited Exemption from Comparative IFRS 7 Disclosures for the first time adopters (Amented)

This amendment exempts first-time adopters of IFRSs from providing the additional disclosures introduced by IFRS 7 on 5 March 2009.

In May 2010 the IASB issued its third omnibus of amendments to its standards, primarily with a view to removing inconsistencies and clarifying wording. There are separate transitional provisions for each standard. The amendments that are effective as at January 1, 2011 are as follows:

IFRS 1 First-time adoption

This improvement clarifies the treatment of accounting policy changes in the year of adoption after publishing an interim financial report in accordance with IAS 34 Interim Financial Reporting, allows first-time adopters to use an event-driven fair value as deemed cost and expands the scope of 'deemed cost' for property, plant and equipment or intangible assets to include items used subject to rate regulated activities.

IFRS 3 Business Combinations

This improvement clarifies that the amendments to IFRS 7 Financial Instruments: Disclosures, IAS 32 Financial Instruments: Presentation and IAS 39 Financial Instruments: Recognition and Measurement, that eliminate the exemption for contingent consideration, do not apply to contingent consideration that arose from business combinations whose acquisition dates precede the application of IFRS 3 (as revised in 2008).

Moreover, this improvement limits the scope of the measurement choices (fair value or at the present ownership instruments' proportionate share of the acquiree's identifiable net assets) only to the components of non-controlling interest that are present ownership interests that entitle their holders to a proportionate share of the entity's net assets.

Finally, it requires an entity (in a business combination) to account for the replacement of the acquiree's share-based payment transactions (whether obliged or voluntarily), i.e., split between consideration and post combination expenses.

2. Basis of preparation of financial statements (continued)

IFRS 7 Financial Instruments: Disclosures

This improvement gives clarifications of disclosures required by IFRS 7 and emphasizes the interaction between quantitative and qualitative disclosures and the nature and extent of risks associated with financial instruments.

IAS 1 Presentation of Financial Statements

This amendment clarifies that an entity will present an analysis of other comprehensive income for each component of equity, either in the statement of changes in equity or in the notes to the financial statements.

IAS 27 Consolidated and Separate Financial Statements

This improvement clarifies that the consequential amendments from IAS 27 made to IAS 21 “The Effect of Changes in Foreign Exchange Rates”, IAS “28 Investments in Associates” and IAS 31 “Interests in Joint Ventures”.

IAS 34 Interim Financial Reporting

This improvement provides guidance to illustrate how to apply disclosure principles in IAS 34 and add disclosure requirements.

IFRIC 13 Customer Loyalty Programmes

This improvement clarifies that when the fair value of award credits is measured based on the value of the awards for which they could be redeemed, the amount of discounts or incentives otherwise granted to customers not participating in the award credit scheme, is to be taken into account.

These new standards, amendments and interpretations did not have a significant effect on the financial position or the performance of the Group.

Standards issued but not yet effective and not early adopted

Up to the date of approval of the interim consolidated financial statements, certain new standards, interpretations and amendments to existing standards have been published but are not yet effective for the current reporting period and which the Group has not early adopted, as follows. The Group will make the necessary changes if not indicated otherwise, which will be affecting the interim consolidated financial statements and disclosures, after the new standards and interpretations become in effect.

IFRS 9 Financial Instruments – Phase 1 financial instruments, classification and measurement

The new standard is effective for annual periods beginning on or after January 1, 2013. Phase 1 of this new IFRS introduces new requirements for classifying and measuring financial assets. The amendments made to IFRS 9 in October 2010 affect the measurement of fair value option (FVO) liabilities and requires that the change in fair value of a FVO financial liability attributable to credit risk is presented under other comprehensive income. Early adoption is permitted. This standard has not yet been endorsed by the EU. The Group is in the process of assessing the impact of the new standard on the financial position or performance of the Group.

2. Basis of preparation of financial statements (continued)

IAS 12 Deferred Taxes: Recovery of Underlying Assets (Amendment)

The amendments are mandatory for annual periods beginning on or after January 1, 2012, but earlier application is permitted. IAS 12 has been updated to include i) a rebuttable presumption that deferred tax on investment property measured using the fair value model in IAS 40 should be determined on the basis that its carrying amount will be recovered through sale and ii) a requirement that deferred tax on non-depreciable assets, measured using the revaluation model in IAS 16, should always be measured on a sale basis. This standard has not yet been endorsed by the EU. The Group does not expect that this amendment will have an impact on the financial position or performance of the Group.

IFRS 7 Financial Instruments: Disclosures as part of its comprehensive review of off balance sheet activities (Amended)

The amendment is effective for annual periods beginning on or after July 1, 2011. The purpose of this amendment is to allow users of financial statements to improve their understanding of transfer transactions of financial assets (e.g. securitizations), including understanding the possible effects of any risks that may remain with the entity which transferred the assets. The amendment also requires additional disclosures if a disproportionate amount of transfer transactions are undertaken around the end of a reporting period. This amendment has not yet been endorsed by the EU. The Group does not expect that this amendment will have an impact on the financial position or performance of the Group.

IFRS 10 Consolidated Financial Statements

Standard is effective for annual periods beginning on or after 1 January 2013 and are applied on a modified retrospective basis. This new Standard may be adopted early, but IFRS 11 Joint Arrangements and IFRS 12 Disclosure of Interests in Other Entities should be also adopted early.

IFRS 10 replaces the portion of IAS 27 Consolidated and Separate Financial Statements that addresses the accounting for consolidated financial statements. A new definition of control is introduced, which is used to determine which entities are consolidated. This is a principle based standard and require preparers of financial statements to exercise significant judgment. This standard has not yet been endorsed by the EU. The Group is in the process of assessing the impact of the new standard on the financial position or performance of the Group.

IFRS 11 Joint Arrangements

Standard is effective for annual periods beginning on or after January 1, 2013 and are applied on a modified retrospective basis. This new Standard may be adopted early, but IFRS 10 Consolidated Financial Statements and IFRS 12 Disclosure of Interests in Other Entities should be also adopted early.

The standard describes the accounting for joint ventures and joint operations with joint control. Among other changes introduced, under the new standard, proportionate consolidation is not permitted for joint ventures. This standard has not yet been endorsed by the EU. The Group does not expect that this standard will have a significant impact on the financial position or performance of the Group.

IFRS 12 Disclosure of Interests in Other Entities

Standard is effective for annual periods beginning on or after January 1, 2013 and are applied on a modified retrospective basis. This new Standard may be adopted early, but IFRS 10 Consolidated Financial Statements and IFRS 11 Joint Arrangements should be also adopted early.

2. Basis of preparation of financial statements (continued)

IFRS 12 includes all of the disclosures that were previously in IAS 27 Consolidated and Separate Financial Statements related to consolidated financial statements, as well as all of the disclosures that were previously included in IAS 31 Interests in Joint Ventures and IAS 28 Investment in Associates. These disclosures relate to an entity's interests in subsidiaries, joint arrangements, associates and structured entities. This standard has not yet been endorsed by the EU. Under the new standard it is expected that more comprehensive disclosures will be given for interests in other entities.

IFRS 13 Fair Value Measurement

The new Standard provides guidance on how to measure fair value under IFRS but does not change when an entity is required to use fair value. It is a single source of guidance under IFRS for all fair value measurements. The new standard also brings new disclosure requirements for fair value measurements. IFRS 13 is effective for annual periods beginning on or after January 1, 2013 and will be adopted prospectively. Early application is permitted. The new disclosures are only required for periods beginning after IFRS 13 is adopted — that is, comparative disclosures for prior periods are not required. This standard has not yet been endorsed by the EU. The Group is in the process of assessing the impact of the new standard on the financial position or performance of the Group.

IAS 27 Separate Financial Statements (Amended)

As a consequential amendment to IFRS 10, the IASB also amended IAS 27, which is now limited to accounting for subsidiaries, jointly controlled entities, and associates in separate financial statements. Transitional requirement of this amendment is similar to IFRS 10. This standard has not yet been endorsed by the EU. The Group does not expect that this standard will have any impact on the financial position or performance of the Group.

IAS 28 Investments in Associates and Joint Ventures (Amended)

As a consequential amendment to IFRS 11, the IASB also amended IAS 28, which has been renamed IAS 28 Investments in Associates and Joint Ventures, to describe the application of the equity method to investments in joint ventures in addition to associates. Transitional requirement of this amendment is similar to IFRS 11. This standard has not yet been endorsed by the EU. The Group does not expect that this standard will have any impact on the financial position or performance of the Group.

IAS 19 Employee Benefits (Amended)

Amended standard is effective for annual periods beginning on or after January 1, 2013, with earlier application permitted. With very few exceptions retrospective application is required. Numerous changes or clarifications are made under the amended standard. Among there numerous amendments, the most important changes are removing the corridor mechanism and making the distinction between short-term and other long-term employee benefits based on expected timing of settlement rather than employee entitlement. This standard has not yet been endorsed by the EU. The Group is in the process of assessing the impact of the new standard on the financial position or performance of the Group.

2. Basis of preparation of financial statements (continued)

IAS 1 Presentation of Financial Statements (Amended)

The amendments are effective for annual periods beginning on or after July 1, 2012. The amendments to IAS 1 change only the grouping of items presented in other comprehensive income. Items that could be reclassified (or 'recycled') to profit or loss at a future point in time would be presented separately from items which will never be reclassified. This standard has not yet been endorsed by the EU. The Group does not expect that this standard will have a significant impact on the financial position or performance of the Group.

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 4,836 (December 31, 2010 – 1 MAD = 5,429 TL), 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 5,120 (December 31, 2010 – 1 MAD = 5,602 TL). 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 as for the six-month ended June 30, 2011. 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 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, provision for litigation against the Group 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 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

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, 2010 – 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 values, 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- 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 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.

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, 2010 – 48 days) 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.

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,

(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.

2. Basis of preparation of financial statements (continued)

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 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.

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 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 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.

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.

2. Basis of preparation of financial statements (continued)

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:

	USD / TL (full)	EUR / TL (full)
June 30, 2011	**1,6302**	**2,3492**
December 31, 2010	1,5460	2,0491

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 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.

ii) Contingent assets and liabilities

Contingent liabilities are not recognised 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 recognised in the financial statements but disclosed when an inflow of economic benefits is probable.

2. Basis of preparation of financial statements (continued)

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

A related party is a person or entity that is related to the entity that is preparing its financial statements (in this Standard referred to as the 'reporting entity').

3. Basis of preparation of financial statements (continued)

(a) A person or a close member of that person's family is related to a reporting entity if that person:
- (i) has control or joint control over the reporting entity;
- (ii) has significant influence over the reporting entity; or
- (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

(b) An entity is related to a reporting entity if any of the following conditions applies:
- (i) The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- (iii) Both entities are joint ventures of the same third party.
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.
- (vi) The entity is controlled or jointly controlled by a person identified in (a).
- (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

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.

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.

2. Basis of preparation of financial statements (continued)

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 June 30, 2011 and December 31, 2010, there is no business combination.

4. Business associations

None (December 31, 2010 - None).

5. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided the chief operating decision makers. The chief operating decision makers, who are responsible for allocation resources and assessing performance of the operating segments, have been identified as the senior management that makes strategic decisions.

The senior management of the Company makes strategic decisions as a whole over the operations of the Company as the Company operates in a single industry and operations outside Turkey do not present an important portion in overall operations. Based on those reasons, there is a single reportable segment in accordance with the provisions in IFRS 8 and segment reporting is not applicable.

(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

	June 30, 2011	December 31, 2010
Cash on hand	**36.503**	39.633
Banks		
-profit share deposits	**108.684**	185.741
-demand deposits	**55.767**	21.931
Cash in transit	**7.910**	10.266
	208.864	257.571
Minus: profit share of participation accruals	**(823)**	(552)
Sum of cash and cash equivalents based on the cash flow statement	**208.041**	257.019

There is no restricted cash as of June 30, 2011 and December 31, 2010. As of June 30, 2011 gross profit share of participation banks for TL amounts is 7,6% (December 31, 2010– gross 7,7%).

7. Financial investments

The Group does not have any security as of June 30, 2011 and December 31, 2010.

8. Financial liabilities

As of June 30, 2011, the Group has short term interest free bank borrowings from various banks amounting to TL 37.900 (December 31, 2010 – TL 7.662) for the payment of income taxes and social security premiums. These financial liabilities are closed as of July 4, 2011 (December 31, 2010 – January 4, 2011).

9. Other financial liabilities

None (December 31, 2010 - None).

10. Trade receivables and payables

a) Trade receivables, net

	June 30, 2011	December 31, 2010
Credit card receivables	**220.260**	191.481
Trade receivables	**524**	500
Doubtful trade receivables	**707**	694
Other receivables	**370**	472
Less: provision for doubtful receivables	**(707)**	(694)
	221.154	192.453

As of June 30, 2011 the average term of trade receivables is 10 days (December 31, 2010 - 10 days).

(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 (continued)

As of 30 June 2011 and 31 December 2010, the Group has no due receivables other than doubtful receivables provision.

Movement of provision for doubtful trade receivables As of June 30, 2011 and December 31, 2010 are as follows:

	June 30, 2011	June 30, 2010
January 1	**694**	518
Current period provision	**17**	195
Collected	**(4)**	(19)
June 30	**707**	694

b) Trade payables, net

	June 30, 2011	December 31, 2010
Other trade payables	**813.285**	701.398
	813.285	701.398

As of June 30, 2011 letters of guarantee and cheque amounting to TL 27.258 and mortgages amounting to TL 13.103 received from its supplier firms (December 31, 2010 – TL 16.111 letters of guarantee and cheque, TL 12.710 mortgages).

11. Other receivables and payables

a) **Other receivables –** As of June 30, 2011 and December 31, 2010, the Group does not have any short-term and long-term receivables.

b) **Other payables-** As of June 30, 2011 and December 31, 2010, the Group does not have any short-term and long-term payables.

12. Liabilities to and receivables from finance sector operations

None (December 31, 2010 - None).

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

13. Inventories

	June 30, 2011	December 31, 2010
Trade goods, net	**373.585**	332.795
Other inventory	**18.566**	3.204
	392.151	335.999

As of June 30, 2011, a provision for impairment of inventory amounting to TL 2.265 was recorded (December 31, 2010 – TL 1.299).

14. Biological assets

None (December 31, 2010 - None).

15. Assets related with construction projects in progress

None (December 31, 2010 - None).

16. Investment in associates

None (December 31, 2010 - None).

17. Investment properties

None (December 31, 2010 - 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 six month period ended June 30, 2011 and June 30, 2010 are as follows:

	December 31, 2010	**Additions**	**Disposals**	**Transfers**	**Effect of change in foreign currencies**	**June 30, 2011**
Cost or revalued amount						
Land	**79.659**	**5.839**	**-**	**-**	**-**	**85.498**
Land improvements	**2.303**	**191**	**-**	**-**	**-**	**2.494**
Buildings	**143.564**	**7.048**	**(2)**	**128**	**-**	**150.738**
Machinery and equipment	**264.278**	**27.205**	**(2.396)**	**2.850**	**405**	**292.342**
Vehicles	**51.701**	**10.224**	**(3.989)**	**351**	**65**	**58.352**
Furniture and fixtures	**115.394**	**9.754**	**(850)**	**75**	**92**	**124.465**
Leasehold improvements	**193.821**	**22.066**	**(1.702)**	**10**	**708**	**214.903**
Construction in progress	**50**	**7.379**	**-**	**(3.414)**	**-**	**4.015**
	850.770	**89.706**	**(8.939)**	**-**	**1.270**	**932.807**
Less: Accumulated depreciation						
Land improvements	**(949)**	**(219)**	**-**	**-**	**-**	**(1.168)**
Building	**(5.767)**	**(3.227)**	**-**	**-**	**-**	**(8.994)**
Machinery and equipment	**(126.448)**	**(11.080)**	**1.494**	**-**	**(87)**	**(136.121)**
Vehicles	**(26.598)**	**(4.922)**	**3.137**	**-**	**(9)**	**(28.392)**
Furniture and fixtures	**(75.318)**	**(7.642)**	**797**	**-**	**(18)**	**(82.181)**
Leasehold improvements	**(66.352)**	**(9.418)**	**758**	**-**	**(67)**	**(75.079)**
	(301.432)	**(36.508)**	**6.186**	**-**	**(181)**	**(331.935)**
Net book value	**549.338**					**600.872**

	December 31, 2009	Additions	Disposals	Transfers	Effect of change in foreign currencies	June 30, 2010
Cost or revalued amount						
Land	70.752	3.411	-	-	-	74.163
Land improvements	1.784	149	-	-	-	1.933
Buildings	118.454	4.954	-	217	-	123.625
Machinery and equipment	229.907	19.332	(1.187)	-	(176)	247.876
Vehicles	46.117	6.811	(2.650)	-	(24)	50.254
Furniture and fixtures	95.855	9.894	(357)	-	(46)	105.346
Leasehold improvements	163.617	18.957	(3.510)	-	(238)	178.826
Construction in progress	17	6.983	-	(217)	-	6.783
	726.503	70.491	(7.704)	-	(484)	788.806
Less: Accumulated depreciation						
Land improvements	(584)	(166)	-	-	-	(750)
Building	-	(2.732)	-	-	-	(2.732)
Machinery and equipment	(108.804)	(9.344)	692	-	19	(117.437)
Vehicles	(22.762)	(4.358)	2.106	-	1	(25.013)
Furniture and fixtures	(62.646)	(6.176)	330	-	4	(68.488)
Leasehold improvements	(52.614)	(7.896)	1.290	-	10	(59.210)
	(247.410)	(30.672)	4.418	-	34	(273.630)
Net book value	479.093					515.176

(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 June 30, 2011 and December 31, 2010 respectively are as follows:

	Land and buildings	
	June 30, 2011	December 31, 2010
Cost	**232.516**	219.501
Accumulated depreciation	**(20.883)**	(17.653)

As of June 30, 2011 and December 31, 2010, the gross carrying amount of property, plant and equipment and intangibles, which are fully depreciated, but still in use, is as follows:

	June 30, 2011	December 31, 2010
Furniture and fixtures	**62.521**	59.446
Machinery and equipment	**46.718**	42.307
Intangible assets and leasehold improvements	**23.261**	21.562
Vehicles	**5.721**	4.391
Land improvements	**180**	173
	138.401	127.879

Pledges and mortgages on assets

As of June 30, 2011 and December 31, 2010, there are 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 six month periods ended June 30, 2011 and June 30, 2010 are as follows:

	December 31, 2010	**Additions**	**Effect of change in foreign currencies**	**June 30, 2011**
Cost				
Rights	**9.104**	**672**	**15**	**9.791**
Other intangibles	**31**	**-**	**-**	**31**
	9.135	**672**	**15**	**9.822**
Accumulated amortization				
Rights	**(6.350)**	**(499)**	**(2)**	**(6.851)**
Other intangibles	**(26)**	**-**	**-**	**(26)**
	(6.376)	**(499)**	**(2)**	**(6.877)**
Net book value	**2.759**			**2.945**

	December 31, 2009	Additions	Effect of change in foreign currencies	June 30, 2010
Cost				
Rights	8.328	434	(10)	8.752
Other intangibles	1.262	95	(103)	1.254
	9.590	529	(113)	10.006
Accumulated amortization				
Rights	(5.434)	(457)	1	(5.890)
Other intangibles	(624)	(142)	49	(717)
	(6.058)	(599)	50	(6.607)
Net book value	3.532			3.399

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

Major part of the rights is software licenses.

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

20. Goodwill

None (December 31, 2010 - None).

21. Government incentives and grants

Investment incentives

As of June 30, 2011 and December 31, 2010, the Group does not have any investment incentive.

22. Provisions, contingent assets and liabilities

Other provisions for debts

As of June 30, 2011 and December 31, 2010, the Group has TL 2.399 and TL 1.282 provisions for telephone, electricity, water and other short term liabilities, respectively.

Legal issues

As of June 30, 2011 and December 31, 2010, the total amount of outstanding lawsuits filed against the Group is TL 10.345 and TL 9.854 in historical terms, respectively. The Group set provisions amounting TL 6.984 and TL 6.388 for the related periods, respectively.

Current year movement of provision for lawsuits is as follows;

	June 30, 2011	December 31, 2010
Beginning	**6.388**	4.400
Provision amount, net	**596**	456
Ending	**6.984**	4.856

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

22. Provisions, contingent assets and liabilities (continued)

Letter of guarantees, mortgages and pledges given by the Group

As of June 30, 2011 and December 31, 2010, breakdown of the guarantees, mortgage and pledges given by the Group is as follows:

	June 30, 2011			
	Total TL equivalent	**TL**	**USD**	**Euro**
A. Total amount of guarantees, pledges and mortgages given in the name of legal entity	**13.181**	**12.773**	**250.000**	**-**
Guarantee	***13.181***	***12.773***	***250.000***	**-**
Pledge	**-**	**-**	**-**	**-**
Mortgage	**-**	**-**	**-**	**-**
B. Total amount of guarantees, pledges and mortgages given in favor of the parties which are included in the scope of full consolidation	**2.258**	**-**	**-**	**961.254**
Guarantee	***2.258***	**-**	**-**	***961.254***
Pledge	**-**	**-**	**-**	**-**
Mortgage	**-**	**-**	**-**	**-**
C. Total amount of guarantees, pledges and mortgages given to third parties for their liabilities in the purpose of conducting the ordinary operations	**-**	**-**	**-**	**-**
D. Total amount of other guarantees, pledges and mortgages	**-**	**-**	**-**	**-**
i. Total amount of guarantees, pledges and mortgages given in favor of parent company	**-**	**-**	**-**	**-**
ii. Total amount of guarantees, pledges and mortgages given in favor of other group companies which are not covered in B and C above	**-**	**-**	**-**	**-**
iii. Total amount of guarantees, pledges and mortgages given in favor of 3rd parties which are not covered in C above	**-**	**-**	**-**	**-**
	15.439	**12.773**	**250.000**	**961.254**

	December 31, 2010			
	Total TL equivalent	**TL**	**USD**	**Euro**
A. Total amount of guarantees, pledges and mortgages given in the name of legal entity	12.655	12.269	250.000	-
Guarantee	*12.655*	*12.269*	*250.000*	-
Pledge	-	-	-	-
Mortgage	-	-	-	-
B. Total amount of guarantees, pledges and mortgages given in favor of the parties which are included in the scope of full consolidation	1.970	-	-	961.254
Guarantee	*1.970*	-	-	*961.254*
Pledge	-	-	-	-
Mortgage	-	-	-	-
C. Total amount of guarantees, pledges and mortgages given to third parties for their liabilities in the purpose of conducting the ordinary operations	-	-	-	-
D. Total amount of other guarantees, pledges and mortgages	-	-	-	-
i. Total amount of guarantees, pledges and mortgages given in favor of parent company	-	-	-	-
ii. Total amount of guarantees, pledges and mortgages given in favor of other group companies which are not covered in B and C above	-	-	-	-
iii. Total amount of guarantees, pledges and mortgages given in favor of 3rd parties which are not covered in C above	-	-	-	-
	14.625	12.269	250.000	961.254

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

22. Provisions, contingent assets and liabilities (continued)

Insurance coverage on assets

As of June 30, 2011 and December 31, 2010, insurance coverage on assets of the Group is TL 553.625 and TL 538.470 respectively.

23. Commitments

As of June 30, 2011 and December 31, 2010, the Group has operating lease commitments for each of the following years:

	June 30, 2011	December 31, 2010
Later than one year and not later than five years	**9**	41
Later than five years	**20**	22

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 2.732 (full TL) and TL 2.517 (full TL) at June 30, 2011 and December 31, 2010, 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 June 30, 2011 and December 31, 2010.

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 – June 30, 2011	January 1 – June 30, 2010
Current service cost	**1.878**	1.218
Financial expense of employee termination benefit	**876**	566
Actuarial losses	**225**	-
Total expense	**2.979**	1.784

(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)

Provision for employee termination benefits:

	January 1 – June 30, 2011	January 1 – June 30, 2010
Defined benefit obligation	**19.682**	17.831
Unrecognized actuarial (gains) / losses	**(8.308)**	(8.308)
	11.374	9.523

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

	January 1 – June 30, 2011	January 1 – June 30, 2010
Beginning balance	**17.831**	10.429
Financial expense of employee termination benefit	**876**	566
Current service cost	**1.878**	1.218
Benefits paid	**(1.128)**	(978)
Actuarial (gains) / losses	**225**	-
Balance at period end	**19.682**	11.235

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

	June 30, 2011	December 31, 2010
Discount rate	**%10**	%10
Expected rate of salary/limit increases	**%5,1**	%5,1

25. Employee pension plans

None (December 31, 2010 - None).

26. Other assets and liabilities

a) Other current assets

	June 30, 2011	December 31, 2010
Advances given	**29.695**	18.773
Prepaid expenses	**8.687**	6.474
VAT receivable	**4.772**	3.296
Other	**544**	219
	43.698	28.762

(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

	June 30, 2011	December 31, 2010
Advances given for tangible asset purchases	**7.439**	1.881
Deposits and advances given	**2.878**	2.956
	10.317	4.837

c) Other short-term liabilities

	June 30, 2011	December 31, 2010
Income tax and social security taxes payable	**8.740**	7.472
VAT payable	**5.849**	5.901
Other tax and funds payable	**9.040**	8.855
Other	**1.276**	1.031
	24.905	23.259

As of June 30, 2011 and December 31, 2010, the Group does not have any other long-term liability.

27. Shareholders' equity

a) Share capital and capital reserves

As of June 30, 2011 and December 31, 2010, the breakdown of shareholders and their ownership percentages in the Company (all in historical terms) are summarized as follows:

	June 30, 2011		December 31, 2010	
	Historical amount	**%**	Historical amount	%
Mustafa Latif Topbaş	**26.466**	**17,5**	27.266	18,0
Ahmet Afif Topbaş	**13.571**	**8,9**	12.771	8,4
Abdulrahman A. El Khereiji	**10.626**	**7,0**	20.623	13,6
Firdevs Çizmeci	**1.800**	**1,2**	1.800	1,2
Ömer Hulusi Topbaş	**180**	**0,1**	180	0,1
Zuhair Fayez	**-**	**-**	5.990	3,9
Other	**99.157**	**65,3**	83.170	54,8
	151.800	**100**	151.800	100

The Company's share capital is fully paid and consists of 151.800.000 shares of TL 1 nominal value (December 31, 2010 - 151.800.000).

27. Shareholders' equity (continued)

Revaluation fund

As of June 30, 2011, Group has revaluation surplus amounting TL 15.704 (December 31, 2010 – TL 15.704) related to revaluation of land and buildings. The revaluation surplus is not available for distribution to shareholders.

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 June 30, 2011 and December 31, 2010 legal reserves, prior year profits and net income for the period in statutory accounts of the parent are as follows:

	June 30, 2011	December 31, 2010
Legal reserves	**81.449**	51.599
Prior year profits	**41.682**	5.826
Net income for the period	**148.956**	247.865
	272.087	305.290

Net profit per the Company's statutory books is TL 148.956 and net profit per consolidated financial statements in accordance with CMB accounting standards is TL 141.992.

Dividend payment

As decided at the Ordinary General Assembly meeting April 27, 2011, the Group has distributed dividend from 2010 profit amounting to TL 182.160 on May 17, 2011. Gross dividend payment per share is full TL 1,2.

28. Sales and cost of sales

a) Net sales

The Group's net sales for the six months period ended June 30, 2011 and June 30, 2010 are as follows:

	January 1 - June 30, 2011	**April 1 - June 30, 2011**	January 1 - June 30, 2010	April 1 - June 30, 2010
Sales	**3.828.193**	**1.943.466**	3.140.591	1.559.643
Sales return (-)	**(14.386)**	**(7.607)**	(10.773)	(5.701)
	3.813.807	**1.935.859**	3.129.818	1.553.942

b) Cost of sales

	January 1 - June 30, 2011	**April 1 - June 30, 2011**	January 1 - June 30, 2010	April 1 - June 30, 2010
Beginning inventory	**332.795**	**345.736**	255.527	271.769
Purchases	**3.234.963**	**1.657.786**	2.640.514	1.315.901
Ending inventory(-)	**(373.585)**	**(373.585)**	(287.417)	(287.417)
	3.194.173	**1.629.937**	2.608.624	1.300.253

(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 - June 30, 2011	**April 1 - June 30, 2011**	January 1 - June 30, 2010	April 1 - June 30, 2010
Personnel expenses	**172.297**	**89.466**	144.735	75.044
Rent expenses	**100.081**	**51.204**	84.300	43.228
Depreciation and amortisation expenses	**34.105**	**17.570**	28.347	14.666
Water, electricity and communication expenses	**20.704**	**11.020**	23.714	13.002
Packaging expenses	**18.788**	**9.552**	15.800	7.752
Trucks fuel expense	**14.080**	**7.495**	10.574	5.446
Advertising expenses	**11.943**	**6.099**	10.890	5.458
Maintenance and repair expenses	**8.810**	**4.411**	7.887	4.268
Provision for employee termination benefit	**1.602**	**803**	1.003	496
Other selling and marketing expenses	**14.991**	**7.790**	12.682	7.002
	397.401	**205.410**	339.932	176.362

b) General and administrative expenses

	January 1 - June 30, 2011	**April 1 - June 30, 2011**	January 1 - June 30, 2010	April 1 - June 30, 2010
Personnel expenses	**37.127**	**18.876**	32.338	16.294
Depreciation and amortisation expenses	**2.902**	**1.405**	2.924	1.342
Motor vehicle expenses	**2.769**	**1.455**	2.297	1.185
Money collection expenses	**2.201**	**1.108**	1.941	1.019
Legal and consultancy expenses	**1.907**	**1.015**	1.755	979
Communication expenses	**421**	**211**	486	246
Provision for employee termination benefits	**276**	**122**	215	105
Office supplies expenses	**244**	**118**	267	152
Other general and administrations expenses	**10.259**	**5.622**	8.407	4.622
	58.106	**29.932**	50.630	25.944

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

30. Expenses as to nature

a) Depreciation and amortization expenses

	January 1 - June 30, 2011	**April 1 - June 30, 2011**	January 1 - June 30, 2010	April 1 - June 30, 2010
Selling, marketing and distribution expenses	**34.105**	**17.570**	28.347	14.666
General and administrative expenses	**2.902**	**1.405**	2.924	1.342
	37.007	**18.975**	31.271	16.008

b) Personnel expenses

	January 1 - June 30, 2011	**April 1 - June 30, 2011**	January 1 - June 30, 2010	April 1 - June 30, 2010
Wages and salaries	**182.745**	**94.529**	154.767	79.951
Employee termination benefits	**1.878**	**925**	1.218	601
SSK provisions employee contribution	**26.679**	**13.813**	22.306	11.387
	211.302	**109.267**	178.291	91.939

31. Other operating income and expense

a) Other operating income

	January 1 - June 30, 2011	**April 1 - June 30, 2011**	January 1 - June 30, 2010	April 1 - June 30, 2010
Gain on sale of scrap materials	**2.429**	**1.259**	2.123	1.083
Other income	**3.508**	**1.943**	3.049	1.911
	5.937	**3.202**	5.172	2.994

b) Other operating expense

	January 1 - June 30, 2011	**April 1 - June 30, 2011**	January 1 - June 30, 2010	April 1 - June 30, 2010
Loss on sale of property and equipment	**27**	**(75)**	853	582
Provision expenses	**622**	**111**	597	51
Other	**1.300**	**761**	1.172	983
	1.949	**797**	2.622	1.616

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

32. Financial income

	January 1 - June 30, 2011	**April 1 - June 30, 2011**	January 1 - June 30, 2010	April 1 - June 30, 2010
Financial income				
Income on profit share account - deposits	**8.671**	**4.018**	7.025	3.439
Foreign exchange gains	**4.171**	**2.560**	299	106
Total financial income	**12.842**	**6.578**	7.324	3.545

33. Financial expenses

	January 1 - June 30, 2011	**April 1 - June 30, 2011**	January 1 - June 30, 2010	April 1 - June 30, 2010
Financial expense				
Finance charge on employee termination benefit	**1.101**	**551**	566	283
Banking charges	**17**	**-**	-	-
Foreign exchange losses	**648**	**507**	1.495	878
Other financial expense	**47**	**18**	57	29
Total financial expenses	**1.813**	**1.076**	2.118	1.190

34. Asset held for resale and discontinued operations

None (December 31, 2010 - None).

35. Tax assets and liabilities

As of June 30, 2011 and December 31, 2010, provision for taxes of the Group is as follows:

	June 30, 2011	December 31, 2010
Current period tax provision	**37.549**	62.628
Prepaid taxes	**(23.108)**	(46.912)
Corporate tax payable	**14.441**	15.716

In Turkey, as of June 30, 2011 corporate tax rate is 20% (December 31, 2010 - 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.

(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)

In Morocco, as of June 30, 2011 the corporate tax rate is %30 (December 31, 2010 - %30) where the consolidated subsidiary of the Company, BIM Stores SARL operates.

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 June 30, 2011 and 2010, 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	
	June 30, 2011	December 31, 2010	**January 1- June 30, 2011**	January 1- December 31, 2010
Deferred tax liability				
Restatement effect on non-monetary items in accordance with IAS	**14.454**	13.989	**465**	(1.900)
Deferred tax asset				
Reserve for employee termination benefit	**(2.240)**	(1.860)	**(380)**	(167)
Other adjustments	**(3.966)**	(3.435)	**(531)**	(321)
Currency translation difference	**-**	-	**49**	-
Deferred tax	**8.248**	8.694	**(397)**	(2.388)

Deferred tax is presented in financial statements as follows:

	June 30, 2011	December 31, 2010
Deferred tax asset	**549**	349
Deferred tax liability	**(8.797)**	(9.043)
Net tax liability	**(8.248)**	(8.694)

(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 six months period ended June 30, 2011 and 2010 is presented as follows:

	January 1- June 30, 2011	January 1- June 30, 2010
Opening balance	**8.694**	10.961
Deferred tax expense/(income) recognized in statement of comprehensive income	**(397)**	(152)
Currency translation difference	**(49)**	-
Balance at the end of period	**8.248**	10.809

Tax reconciliation

	January 1- June 30, 2011	January 1- June 30, 2010
Net income before tax	**179.144**	138.388
Corporation tax at effective tax rate of 20%	**(35.829)**	(27.678)
Disallowable expenses	**(286)**	(273)
Effect of non-tax deductible and tax exempt items	**37**	30
Tax rate effects of related parties	**22**	-
Other	**(1.096)**	1.330
Provision for taxes	**(37.152)**	(26.591)
- Current	**(37.549)**	(28.979)
- Deferred	**397**	2.388

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 June 30, 2011 and 2010 are 0,935 (full TL) and 0,736 (full TL), respectively. All shares of the Company are in same status.

The movements of number of shares as of June 30, 2011 and June 30, 2010 are as follows;

Number of shares	**June 30, 2011**	June 30, 2010
Beginning of the period	**151.800.000**	75.900.000
Number of free shares issued by using internal sources	**-**	75.900.000
Period end	**151.800.000**	151.800.000

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

36. Earnings per share (continued)

As decided at the General Assembly meeting held on April 27, 2011, the Group has finalized the distribution of dividend amounting to gross TL 182.160 (1,20 (full TL) per share). Dividend payment has been finalized as of May 17, 2011.

Earnings per share	**January 1-June 30, 2011**	January 1-December 31, 2010
Average number of stocks during the year	**151.800.000**	151.800.000
Net profit of the year	**141.992**	111.797

37. Related party disclosures

a) Due to related parties

Due to related parties balances as of June 30, 2011 and December 31, 2010 are as follows:

Payables related to goods and services received

	June 30, 2011	December 31, 2010
Ak Gıda A.Ş. (Ak Gıda) (1)	**54.081**	58.121
Başak Gıda Dağıtım ve Pazarlama A.Ş. (Başak) (1)	**20.974**	19.060
Hedef Tüketim Ürünleri San ve Dış Tic. A.Ş.(Hedef) (1)	**5.819**	7.915
Turkuvaz Plastik ve Tem. Ürün. Tic .A.Ş (Turkuvaz) (1)	**6.074**	4.034
Natura Gıda Sanayi ve Ticaret A.Ş. (Natura) (1)	**4.113**	674
Esas Paz. ve Tic .A.Ş (Esas) (1)	**6.373**	3.352
Marsan Gıda San. ve Tic. A.Ş. (Marsan) (1)	**910**	3.552
Bahariye Tekstil San. Tic. A.Ş.(1)	**1.072**	-
Bahar Su Sanayi ve Tic .A.Ş (Bahar Su) (1)	**662**	267
Seher Gıda Paz. San. ve Tic. A.Ş. (Seher) (1)	**252**	390
Proline Bilişim Sistemleri ve Ticaret A.Ş (1) (*)	**582**	-
	100.912	97.365

(1) Companies owned by shareholders of the Company or the companies that the shareholders have shares

(*) As of June 30, 2011 Proline Bilişim Sistemleri ve Ticaret A.Ş (related party) acquires a debit amount of TL 582, for supplying service 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)

b) Related party transactions

For the six month periods ended June 30, 2011 and 2010, summary of the major transactions with related parties are as follows:

(i) Major purchases from related parties during the six month periods ended June 30, 2011 and 2010 are as follows:

	January 1- June 30, 2011	January 1- June 30, 2010
Ak Gıda (1)	**235.222**	232.127
Başak (1)	**110.334**	84.833
Hedef (1)	**22.993**	17.431
Turkuvaz (1)	**14.127**	-
Esas (1)	**15.631**	-
Natura (1)	**21.947**	19.582
Marsan (1)	**2.978**	7.384
Bahar Su (1)	**1.248**	-
Seher (1)	**879**	843
Bahariye (1)	**1.478**	991
Teközel (1) (*)	**-**	50.706
	426.837	413.897

(1) Companies owned by shareholders of the Company or the companies that the shareholders have shares

(*) Excluded from the list of companies owned by shareholders as of April 1, 2010.

(ii) For the six months periods ended June 30, 2011 and 2010 salaries, bonuses and compensations provided to board of directors and key management comprising of 78 and 73 personnel, respectively, are as follows:

	January 1- June 30, 2011	January 1- June 30, 2010
Short-term benefits	**7.929**	6.402
Long-term defined benefits	**653**	489
Total benefits	**8.582**	6.891

iii) For the six months periods ended June 30, 2011 and 2010 the Company received service from the related party, Proline Bilişim Sistemleri ve Ticaret A.Ş. amounting TL 591 and TL 498, 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.

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	**108.684**	185.741
	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	**-**	**220.260**	**-**	**164.451**
Maximum risk secured by guarantees	**-**	**-**	**-**	**-**
A. Net book value of financial assets neither overdue nor impaired	**-**	**220.260**	**-**	**164.451**

Credit risk table (Prior period)

	Credit card receivable		Bank deposits	
	Related party	Other party	Related party	Other party
Maximum credit risk exposures as of report date	-	191.481	-	207.672
Maximum risk secured by guarantees	-	-	-	-
A. Net book value of financial assets neither overdue nor impaired	-	191.481	-	207.672

(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 or forward contracts for hedging foreign currency risks.

		June 30, 2011			December 31,2010		
		TL equivalent (functional currency)	**USD**	**EUR**	TL equivalent (functional currency)	USD	EUR
1.	Trade receivables	-	-	-	-	-	-
2a.	Monetary financial assets (including cash, bank accounts)	199	11.609	76.580	59	8.501	22.167
2b.	Non-monetary financial assets	-	-	-	-	-	-
3.	Other	28	15.100	1.278	39	23.600	1.278
4.	**Current assets (1+2+3)**	**227**	**26.709**	**77.858**	98	32.101	23.445
5.	Trade receivables	-	-	-	-	-	-
6a.	Monetary financial assets	-	-	-	-	-	-
6b.	Non-monetary financial assets	-	-	-	-	-	-
7.	Other	-	-	-	-	-	-
8.	**Non-current assets (5+6+7)**	**-**	**-**	**-**	-	-	-
9.	**Total assets(4+8)**	**227**	**26.709**	**77.858**	98	32.101	23.445
10.	Trade payables	39	23.954	-	-	-	-
11.	Financial liabilities	-	-	-	-	-	-
12a.	Monetary other liabilities	-	-	-	92	59.242	-
12b.	Non-monetary other liabilities	-	-	-	-	-	-
13.	**Current liabilities (10+11+12)**	**39**	**23.954**	**-**	92	59.242	-
14.	Trade payables	-	-	-	-	-	-
15.	Financial liabilities	-	-	-	-	-	-
16a.	Monetary other liabilities	-	-	-	-	-	-
16b.	Non-monetary other liabilities	-	-	-	-	-	-
17.	**Non-current liabilities (14+15+16)**	**-**	**-**	**-**	-	-	-
18.	**Total liabilities (13+17)**	**39**	**23.954**	**-**	92	59.242	-
19.	Net asset/(liability) position of off-balance sheet derivative instruments(19a-19b)				-	-	-
19a.	Hedged total assets amount	-	-	-	-	-	-
19b.	Hedged total liabilities amount	-	-	-	-	-	-
20.	**Net foreign currency asset/(liability) position (9+18+19)**	**188**	**2.755**	**77.858**	6	(27.141)	23.445
21.	**Net foreign currency asset/(liability) position of monetary items (=1+2a+5+6a-10-11-12a-14-15-16a)**	**188**	**2.755**	**77.858**	6	(27.141)	23.445
22.	Total fair value of financial instruments used for foreign currency hedging	-	-	-	-	-	-
23.	Export	-	-	-	-	-	-
24.	Import	-	-	-	-	-	-

(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)

Exchange rate risk

The following table demonstrates the sensitivity to a possible change of 10% in the U.S Dollar and Euro exchange rates, with all other variables held constant, of the Group's profit before tax as of June 30, 2011 and December 31, 2010:

	June 30, 2011	**Exchange rate sensitivity analysis**	
			Current Year
		Profit/loss	**Profit/loss**
		Increase in exchange rate	**Decrease in exchange rate**
	Increase of 10% in value of U.S Dollar against TL :		
1-	U.S Dollar net asset/(liability)	**1**	**(1)**
2-	Protected part from U.S Dollar risk (-)	**-**	**-**
3-	**U.S Dollar net effect (1+2)**	**1**	**(1)**
	Increase of 10% in value of Euro against TL:		
4-	Euro net asset/(liability)	**18**	**(18)**
5-	Protected part from Euro risk (-)	**-**	**-**
6-	**Euro net effect (4+5)**	**18**	**(18)**
	Total (3+6)	**19**	**(19)**

	December 31, 2010	**Exchange rate sensitivity analysis**	
			Current Year
		Profit/loss	**Profit/loss**
		Increase in exchange rate	**Decrease in exchange rate**
	Increase of 10% in value of U.S Dollar against TL :		
1-	U.S Dollar net asset/(liability)	(4)	4
2-	Protected part from U.S Dollar risk (-)	-	-
3-	**U.S Dollar net effect (1+2)**	(4)	4
	Increase of 10% in value of Euro against TL:		
4-	Euro net asset/(liability)	5	(5)
5-	Protected part from Euro risk (-)	-	-
6-	**Euro net effect (4+5)**	5	(5)
	Total (3+6)	1	(1)

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.

(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)

The ability to fund existing and prospective debt requirements is managed by maintaining the availability of adequate committed funding lines from high quality lenders.

As of June 30, 2011 and December 31, 2010, maturities of undiscounted trade payables and financial liabilities are as follows (accrual amounts are not included):

June 30, 2011

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	**37.900**	**37.900**	**37.900**	**-**	**-**	**-**
Trade payables	**813.285**	**818.411**	**818.411**	**-**	**-**	**-**
Due to related parties	**100.912**	**101.552**	**101.552**	**-**	**-**	**-**

December 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	7.662	7.662	7.662	-	-	-
Trade payables	701.398	706.032	706.032	-	-	-
Due to related parties	97.365	98.015	98.015	-	-	-

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

None.

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 June 30, 2011 and December 31, 2010.