DOĞAN GAZETECİLİK A.Ş.
AND ITS SUBSIDIARIES

CONVENIENCE TRANSLATION INTO ENGLISH OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2010 TOGETHER WITH INDEPENDENT AUDITOR'S REVIEW REPORT

(ORIGINALLY ISSUED IN TURKISH)

Deloitte.

DRT Bağımsız Denetim ve
Serbest Muhasebeci
Mali Müşavirlik A.Ş.
Sun Plaza
Bilim Sok. No:5
Maslak, Şişli 34398
İstanbul, Türkiye

Tel : (212) 366 6000
Fax : (212) 366 6010
www.deloitte.com.tr

CONVENIENCE TRANSLATION INTO ENGLISH OF INDEPENDENT AUDITOR'S REVIEW REPORT ORIGINALLY ISSUED IN TURKISH

INDEPENDENT AUDITOR'S REVIEW REPORT

To the Board of Directors of
Doğan Gazetecilik A.Ş.
İstanbul

Introduction

We have reviewed the accompanying consolidated balance sheet of Doğan Gazetecilik A.Ş., its subsidiaries and its joint venture (collectively referred as the 'Group') as of 30 June 2010 and the related consolidated statements of comprehensive income, changes in equity and cash flows for the six month interim period then ended. Management is responsible for the preparation and fair presentation of these interim consolidated financial statements in accordance with the financial reporting standards issued 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

We conducted our review in accordance with auditing standards published by the Capital Markets Board. A review of interim financial information 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 standards on auditing issued by the Capital Markets 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.

Conclusion

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

Other matter

The limited review of Group's consolidated financial statements for the six month period ended 30 June 2009 and the audit of consolidated financial statements for the year ended 31 December 2009 were performed by another audit company. The previous audit company has expressed a conclusion on the consolidated financial statements as at 30 June 2009 that there was nothing to come to their attention that caused them to believe that the interim financial statements did not present fairly, in all material respects, in accordance with financial reporting standards issued by Capital Markets Board signed on 25 August 2009. The previous auditor expressed an unqualified opinion on consolidated financial statements as at 31 December 2009 on 5 April 2010.

İstanbul, 23 August 2010

DRT BAĞIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK A.Ş.
Member of **DELOITTE TOUCHE TOHMATSU LIMITED**

Gaye Şentürk

Gaye Şentürk
Partner

CONTENTS		PAGE

DOĞAN GAZETECİLİK A.Ş. AND ITS SUBSIDIARIES

CONSOLIDATED BALANCE SHEET AS OF 30 JUNE 2010

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

	Notes	Reviewed 30 June 2010	Audited 31 December 2009
ASSETS			
Current Assets		**109.121.442**	**96.723.860**
Cash and cash equivalents	4	5.867.989	1.230.535
Trade receivables			
- Due from related parties	28	17.754.584	18.005.852
- Other trade receivables	7	73.280.257	58.785.253
Other receivables		112.466	62.637
Inventories	9	7.739.773	6.443.551
Other current assets	17	4.366.373	12.196.032
Non-current assets		**230.860.173**	**233.028.605**
Other receivables	8	56.351	65.033
Financial assets	5	69.585	69.585
Investment property	10	11.967.440	12.914.147
Property, plant and equipment	11	23.308.701	24.096.837
Intangible assets	12	69.241.118	71.045.052
Goodwill	13	113.857.178	113.857.178
Deferred income tax assets	26	6.313.918	6.419.546
Other non-current asset	17	6.045.882	4.561.227
TOTAL ASSETS		**339.981.615**	**329.752.465**

The consolidated financial statements have been approved by the Board of Directors as of 23 August 2010.

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

DOĞAN GAZETECİLİK A.Ş. AND ITS SUBSIDIARIES

CONSOLIDATED BALANCE SHEET AS OF 30 JUNE 2010

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

	Notes	Reviewed 30 June 2010	Audited 31 December 2009
LIABILITIES			
Current liabilities		**106.059.612**	**97.161.078**
Borrowings	6	23.978.917	20.014.628
Trade payables			
- Due to related parties	28	45.550.966	44.345.558
- Other trade payables	7	13.965.310	8.659.476
Other payables	8	6.792.922	6.103.589
Current income tax liabilities	26	2.552.892	26.437
Provisions	14	3.545.243	2.841.288
Other current liabilities	17	9.673.362	15.170.102
Non-current liabilities		**8.359.992**	**7.669.281**
Provision for employment termination benefit	16	8.359.992	7.669.281
EQUITY	18	**225.562.011**	**224.922.106**
Equity attributable to equity holders of the Company	18	**225.151.931**	**224.537.858**
Share capital	18	105.000.000	105.000.000
Adjustment to share capital	18	45.910.057	45.910.057
Share premium	18	82.060.000	82.060.000
Restricted reserves	18	1.619.190	1.279.827
(Accumulated losses) / retained earnings		(10.051.389)	6.543.318
Profit / (loss) for the period		614.073	(16.255.344)
Non-controlling interests		**410.080**	**384.248**
TOTAL LIABILITIES AND EQUITY		**339.981.615**	**329.752.465**

Provisions, contingent assets and liabilities 14

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

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2010

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

	Note	Reviewed 1 January- 30 June 2010	Not Reviewed 1 April - 30 June 2010	Reviewed 1 January- 30 June 2009	Not Reviewed 1 April - 30 June 2009
Sales	19	181.266.006	96.568.992	169.739.096	90.041.988
Cost of sales (-)	19	(108.161.995)	(56.684.229)	(121.960.755)	(56.879.511)
Gross Profit		**73.104.011**	**39.884.763**	**47.778.341**	**33.162.477**
Marketing, selling and distribution expenses (-)	20	(56.170.127)	(28.646.778)	(46.022.971)	(25.201.466)
General administrative expenses (-)	20	(13.314.818)	(7.098.730)	(12.823.312)	(6.880.593)
Other income	22	8.359.441	7.399.667	2.183.945	1.375.457
Other expenses (-)	22	(6.493.184)	(5.877.814)	(3.394.072)	(2.248.004)
Operating profit / (loss)		**5.485.323**	**5.661.108**	**(12.278.069)**	**207.871**
Financial income	23	1.753.638	1.035.825	3.081.837	1.271.793
Financial expenses (-)	24	(3.922.016)	(1.842.666)	(4.717.067)	1.875.213
Profit / (loss) before income taxes		**3.316.945**	**4.854.267**	**(13.913.299)**	**3.354.877**
Taxation on income		(2.677.040)	(3.213.623)	1.705.966	(1.457.972)
- Current income tax for the period	26	(2.571.412)	(2.554.152)	(73.895)	(35.928)
- Deferred tax benefit / (charge)	26	(105.628)	(659.471)	1.779.861	(1.422.044)
Profit / (loss) for the period		**639.905**	**1.640.644**	**(12.207.333)**	**1.896.905**
Other comprehensive income					
Other comprehensive income		-	-	-	-
Total comprehensive income / (loss)		**639.905**	**1.640.644**	**(12.207.333)**	**1.896.905**
Allocation of profit/(loss) for the period					
Attributable to minority interests		25.832	47.886	(731)	1.590
Attributable to equityholders of Company		614.073	1.592.758	(12.206.602)	1.895.315
Allocation of comprehensive income/(loss) for the period					
Attributable to minority interests		25.832	47.886	(731)	1.590
Attributable to equityholders of Company		614.073	1.592.758	(12.206.602)	1.895.315
Profit / (loss) per share attributable to equity holders of the Company (Kr)	27	0,6	1,5	(11,6)	1,8

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

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2010

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

	Note	Share capital	Adjustments to share capital	Share premium	Restricted reserves	Retained earnings	Net profit/(loss) for the period	Attributable to equityholders of the Company	Minority interest	Total
Balances at 1 January 2009		105.000.000	45.910.057	82.060.000	695.215	7.881.218	(753.288)	240.793.202	252.167	241.045.369
Transfers		-	-	-	-	(753.288)	753.288	-	-	-
Total comprehensive loss		-	-	-	-	-	(12.206.602)	(12.206.602)	(731)	(12.207.333)
Balances at 30 June 2009		105.000.000	45.910.057	82.060.000	695.215	7.127.930	(12.206.602)	228.586.600	251.436	228.838.036
Balances at 1 January 2010	18	105.000.000	45.910.057	82.060.000	1.279.827	6.543.318	(16.255.344)	224.537.858	384.248	224.922.106
Transfers		-	-	-	339.363	(16.594.707)	16.255.344	-	-	-
Total comprehensive income		-	-	-	-	-	614.073	614.073	25.832	639.905
Balances at 30 June 2010	18	105.000.000	45.910.057	82.060.000	1.619.190	(10.051.389)	614.073	225.151.931	410.080	225.562.011

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

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2010

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

	Note	Reviewed 1 January- 30 June 2010	Reviewed 1 January- 30 June 2009
Profit / (loss) before tax		3.316.945	(13.913.299)
Adjustments:			
Depreciation expenses	10, 11	1.684.885	2.040.702
Amortisation expenses	12	1.900.119	1.947.650
Loss/(gain) on disposal of property, plant and equipment, intangible assets and investment property	22	(411.119)	82.877
Unearned finance income due to sales with maturity	7	346.711	352.636
Unearned finance expense due to purchases with maturity	28	(121.704)	(126.358)
Interest expense	24	1.789.624	2.037.909
Interest income	23	(98.139)	(757.012)
Doubtful receivable provision	7	3.594.345	2.310.505
Unused vacation liability		390.551	366.187
Employment termination benefit provision	16	2.128.149	1.185.497
Provision expense / (release)for impairment on investment property	10	(147.600)	325.709
Endorsement premium liability	17	2.403.140	1.345.367
Adjustments to reconcile profit before income taxes to net cash from operating activities		**16.775.907**	**(2.801.630)**
Change in other trade receivables		(18.436.062)	(4.055.456)
Change in receivables from related parties		251.268	(5.302.663)
Change in inventories		(1.296.222)	998.256
Change in other current receivables		(49.818)	19.304
Change in other current/non-current assets		6.354.107	190.375
Change in other trade payables		5.305.834	548.171
Change in payable to related parties		1.327.112	(30.434.237)
Change in other payables		692.633	587.653
Change in provisions		903.522	(19.118)
Change in other current liabilities		1.731.007	(1.202.563)
Income taxes paid		(10.269.262)	(38.161)
Employment termination benefits paid	16	(1.437.438)	(1.045.246)
Non-current assets held for sale		-	775.200
Net cash provided by / (used in) operating activities		**1.852.588**	**(41.780.115)**
Investing activities:			
Purchase of investment property	10	(1.815.418)	(3.202.390)
Purchase of property, plant and equipment	11	(733.832)	(457.132)
Purchase of intangible assets	12	(104.517)	(116.712)
Proceeds from sale of property, plant and equipment, intangible assets and investment property		3.166.258	367.181
Net cash provided by / (used in) investing activities		**512.491**	**(3.409.053)**
Financing activities:			
Increase in borrowings		3.805.545	34.008.792
Interest paid		(1.630.880)	(1.990.071)
Interest received		97.710	756.793
Net cash provided by financing activities		**2.272.375**	**32.775.514**
Net change in cash and cash equivalents	4	**4.637.454**	**(12.413.654)**
Cash and cash equivalents at the beginning of the period	4	**1.230.535**	**16.217.556**
Cash and cash equivalents at the end of the period	4	**5.867.989**	**3.803.902**

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

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

NOTE 1 - ORGANIZATION AND NATURE OF OPERATIONS

Doğan Gazetecilik A.Ş. ("the Company"), its subsidiaries and its joint venture ("the Group") operate in the media sector; mainly in newspaper and magazine publishing, and undertake related distribution and sales activities.

The Company's parent company is Doğan Yayın Holding A.Ş., ultimate parent company is Adilbey Holding.

The address of the registered office is as follows:

Doğan Gazetecilik A.Ş.
Yüzyıl Mahallesi Doğan Medya Center Bağcılar, İstanbul-Turkey

Doğan Gazetecilik A.Ş. is registered in the Capital Markets Board ("CMB") and its shares have been quoted on the Istanbul Stock Exchange ("ISE") since 1993. The shares of the Company quoted on the ISE are 41,39% of the total shares.

The Company is a member of Doğan Şirketler Grubu Holding A.Ş. ("Doğan Holding") through the investment of Doğan Yayın Holding A.Ş. ("Doğan Yayın"), which has a majority ownership in the Company.

Subsidiaries

The table below sets out all subsidiaries included in the scope of consolidation at 30 June 2010 and 31 December 2009:

Subsidiaries	Registered country	Nature of business
Kemer Yayıncılık ve Gazetecilik A.Ş. ("Kemer Yayıncılık")	Turkey	Investment
Bağımsız Gazeteciler Yayıncılık A.Ş. ("Bağımsız Gazeteciler")	Turkey	Newspaper publishing
Kemer Yayıncılık Pazarlama San. ve Tic. A.Ş. ("Kemer Yayıncılık Pazarlama")	Turkey	Internet services
DYG İlan ve Reklam Hizmetleri A.Ş. ("DYG İlan")	Turkey	Advertising
Milliyet Haber Ajansı A.Ş. ("Milha")	Turkey	News agency
Milliyet İnternet Hizmetleri ve Ticaret A.Ş. ("Milliyet İnternet")	Turkey	Internet publishing

Joint venture

The table below sets out the joint venture included in the scope of consolidation at 30 June 2010 and 31 December 2009:

	Registered country	Nature of business	Joint venture partner
Birey Seçme ve Değerlendirme Danışmanlık Ltd. Şti.	Turkey	Internet publishing	Doğan Portal ve Elektronik Tic. A.Ş.

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

2.1 Basis of presentation

2.1.1 Financial reporting standards

The Company, its subsidiaries and its joint venture registered in Turkey maintain their books of account and prepare their statutory financial statements in accordance with accounting principles in the Turkish Commercial Code and tax legislation and the Uniform Chart of Accounts issued by the Ministry of Finance.

Capital Market Board (CMB) Decree No XI-29 "Capital Markets Financial Reporting Standards" provides principals and standards regarding the preparation and presentation of financial statements. This Decree became effective for periods beginning after 1 January 2008. Based on this Decree, the companies are required to prepare their financial statements based on International Financial Reporting Standards ("IFRS") as accepted by the European Union. In this scope, Turkish Accounting/ Financial Reporting Standards issued by TASB which do not contradict to the standards accepted is adopted.

Until the differences between the standards accepted by the European Union and the standards issued by International Accounting Standards Board ("IASB") are announced by the TASB, financial statements are prepared in accordance with IAS/IFRS under the CMB's Decree Volume: XI, No: 29. The accompanying financial statements and notes are presented in accordance with the standard format required by the announcement of the CMB's Decree Volume: XI, No: 29.

These consolidated financial statements are based on the statutory records, which are maintained under historical cost conversion, with the required adjustments and reclassifications reflected for the purpose of fair presentation in accordance with the CMB Financial Reporting Standards.

Reporting currency

The financial statements of the Company, its subsidiaries and its joint venture are prepared in accordance with the prevailing currency (functional currency) in the economic environment in which they operate. The accompanying consolidated financial statements of the Group are expressed in TL.

Preparation of Financial Statements in Hyperinflationary Periods

CMB, with its resolution dated 17 March 2005 and 11/367 numbered law declared that companies operating in Turkey which prepare their financial statements in accordance with CMB Accounting Standards, effective 1 January 2005, will not be subject to the application of inflation accounting. Consequently, in the accompanying financial statements, IAS 29 "Financial Reporting in Hyperinflationary Economies" was not applied since 1 January 2005.

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

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

2.1.2 Consolidation principles

The consolidated financial statements include the accounts of the parent company, Doğan Gazetecilik A.Ş., its subsidiaries and its joint venture according to the principles stated below from (a) to (d). The financial statements of the companies included in the scope of consolidation have been prepared as of the date of the consolidated financial statements, and are prepared in accordance with CMB Financial Reporting Standards as explained in Note 2.1.1.

(a) Subsidiaries

Subsidiaries are the companies over which the Company has the power to control the financial and operating policies for the benefit of itself, either (a) through the power to use more than 50% of the voting rights relating to shares in the companies owned directly and/or indirectly by itself; or (b) although not having the power to exercise more than 50% of the using rights, otherwise though the power to exercise control over financial and operating policies. The operational results of subsidiary are included in the financial statements according to the effective dates of the Company's acquisition.

The Subsidiaries' balance sheets and statements of income have been consolidated on a line-by-line basis and the carrying value of the investments held by the Company and its subsidiaries are eliminated against the related equity. Intercompany transactions and balances between the Company and its subsidiaries have been eliminated during the consolidation.

The table below sets out the subsidiaries included in the scope of consolidation and shows its shareholding structure at 30 June 2010 and 31 December 2009:

	30 June 2010 Proportion of voting power held by the Group (%)	**31 December 2009 Proportion of voting power held by the Group (%)**
Kemer Yayıncılık	99,98	99,98
Bağımsız Gazeteciler	99,99	99,99
Kemer Yayıncılık Pazarlama	99,96	99,96
DYG İlan	50,02	50,02
Milha	66,99	66,99
Milliyet İnternet	99,83	99,83

(b) Financial assets at fair value through profit and loss

Financial assets at fair value through profit and loss in which the Group has controlling interests below 20%, or above 20% over which the Company does not exercise a significant influence, or which are immaterial and that do not have quoted market price in active markets and whose fair values cannot be measured reliably, are carried at cost less any provision for diminution in value and for the periods which inflation accounting is applied are carried at cost and restated to the equivalent purchasing power at the balance sheet date less any provision for diminution in value (Note 5).

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

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

2.1.2 Consolidation principles (Continued)

(c) Joint venture

Joint ventures are companies in respect of which there are contractual arrangements through which an economic activity is undertaken subject to joint control by the Company and one or more other parties. The Group's interest in joint ventures is accounted for by way of proportionate consolidation. By this method, the Group includes its share of the assets, liabilities, income and expenses of each joint venture in the relevant components of the financial statements.

The table below sets out the joint venture included in the scope of consolidation and shows its shareholder structure at 30 June 2010 and 31 December 2009:

	Proportion of joint management 30 June 2010	Proportion of joint management 31 December 2009	Joint venture partner
Birey Seçme ve Değerlendirme Danışmanlık Ltd. Şti.	50	50	Doğan Portal ve Elektronik Tic. A.Ş.

(d) Non-controlling interest

The shares of non-controlling interest in the net assets and results for the period for subsidiaries are separately classified in the consolidated balance sheets and statements of income as non-controlling interest.

The losses applicable to the minority in a consolidated subsidiary may exceed the minority interest in the equity of the subsidiary. The excess, and any further losses applicable to the minority, are charged against the majority interest except to the extent that the minority has a binding obligation to, and is able to, make good the losses. If the subsidiary subsequently reports profits, the majority interest is allocated all such profits until the minority's share of losses previously absorbed by the majority has been recovered.

2.1.3 Offsetting

Financial assets and liabilities are offset and the net amount is reported in the consolidated 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 liability simultaneously.

2.1.4 Comparatives

The financial statements of the Group include comparative financial information to enable the determination of the financial position and performance. The balance sheet of the Group at 30 June 2010 has been provided with the comparative financial information of 31 December 2009 and the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the period ended 30 June 2010 have been provided with the comparative financial information for the period ended 30 June 2009.

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

2.1.4 Comperatives (Continued)

Where necessary, comparative figures have been reclassified to conform to the changes in presentation of the financial statements as at 30 June 2010.

- Land amounting to TL5.539.598 included in "Property plant and equipment" in the consolidated balance sheet at 30 June 2009 have been reclassified to "Investment Property" at the comparative balance sheet presented as at 30 June 2010.
- Legal reserves and other extraordinary reserves amounting to TL18.840.620 included in "Restricted reserves" in the consolidated balance sheet at 31 December 2009 have been reclassified to "Retained earnings" at the comparative balance sheet presented as at 30 June 2010.
- Tax liability amounting to TL 26.437 included in "Other current liabilities" in the consolidated balance sheet at 31 December 2009 have been reclassified to "Current year tax liability" at the comparative balance sheet presented as at 30 June 2010.

2.1.5 Going concern

Financial statements have been prepared in accordance with the principle of going concern.

2.1.6 Adoption of New and Revised Standards

There is no change effecting the Group whithin the standards effective in the current period.

(a) Standards, amendments and interpretations to existing standards effective in 2010 but not relevant to the Group

IFRS 3 (revised), "Business Combinations" and consequential amendments to IAS 27, "Consolidated and separate financial statements", IAS 28, "Investments in associates", and IAS 31, "Interests in joint ventures", are effective prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 July 2009. The main impact of the adoption is as follows:

a) to allow a choice on a transaction-by-transaction basis for the measurement of non-controlling interests (previously referred to as 'minority' interests) either at fair value or at the non-controlling interests' share of the fair value of the identifiable net assets of the acquire.
b) to change the recognition and subsequent accounting requirements for contingent consideration.
c) to require that acquisition-related costs be accounted for separately from the business combination, generally leading to those costs being recognized as an expense in profit or loss as incurred.
d) in step acquisitions, previously held interests are to be remeasured to fair value at the date of the subsequent acquisition with the value included in goodwill calculation. Gain or loss arising from the re-measurement shall be recognized as part of profit or loss.

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

2.1.6 Adoption of New and Revised Standards (Continued)

(a) Standards, amendments and interpretations to existing standards effective in 2010 but not relevant to the Group (Continued)

As the Group shall adopt IFRS 3 (revised) with IAS 27 (revised), "consolidated and separate financial statements", at the same time. IAS 27 (revised) requires the effects of all transactions with non-controlling interests to be recorded in equity if there is no change in control and these transactions will no longer result in goodwill or gains and losses. The standard also specifies the accounting when control is lost. Any remaining interest in the entity is re-measured to fair value and a gain or loss is recognised in profit or loss. There has been no impact of IAS 27 (revised) on the current period, as none of the non-controlling interests have a deficit balance. There have been no transactions whereby an interest in an entity is retained after the loss of control of that entity; there have been no transactions with non-controlling interests.

IFRIC 17, "Distributions of non-cash assets to owners", effective for annual periods beginning on or after 1 July 2009. This is not currently applicable to the Group, as it has not made any non-cash distributions.

IFRIC 18, "Transfers of assets from customers", effective for transfer of assets received on or after 1 July 2009. This is not relevant to the Group, as it has not received any assets from customers.

"Additional exemptions for first-time adopters" (Amendment to IFRS 1) was issued in July 2009. The amendments are required to be applied for annual periods beginning on or after 1 January 2010. This is not relevant to the Group, as it is an existing IFRS preparer.

IFRS 2, "Share-based Payments – Group Cash-settled Share Payment Arrangements" is effective for annual periods beginning on or after 1 January 2010. This is not currently applicable to the Group, as the Group does not have share-based payment plans.

Improvements to International Financial Reporting Standards 2009 were issued in April 2009. The improvements cover 12 main standards/intepretations as follows: IFRS 2 Share-based Payments, IFRS 5 Non-current Assets Held for Sale and Discontinued Operations, IFRS 8 Operating Segments, IAS 1 Presentation of Financial Statements, IAS 7 Statement of Cash Flows, IAS 17 Leases, IAS 18 Revenue, IAS 36 Impairment of Assets, IAS 38 Intangible Assets, IAS 39 Financial Instruments: Recognition and Measurement, IFRIC 9 Reassessment of Embedded Derivatives, IFRIC 16 Hedges of Net Investment in a Foreign Operation. The effective dates vary standard by standard but most are effective 1 January 2010.

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

2.1.6 Adoption of New and Revised Standards (Continued)

(b) The following new standards, new interpretations and amendments to standards and interpretations have been issued but are not effective for the financial year beginning 1 January 2010 and have not been early adopted

IFRS 1 (amendments) *First-time Adoption of IFRS – Additional Exemptions*

Amendments to IFRS 1 which are effective for annual periods on or after 1 July 2010 provide limited exemption for first time adopters to present comparative IFRS 7 fair value disclosures.

IFRS 9 *Financial Instruments: Classification and Measurement*

In November 2009, the first part of IFRS 9 relating to the classification and measurement of financial assets was issued. IFRS 9 will ultimately replace IAS 39 Financial Instruments: Recognition and Measurement. The standard requires an entity to classify its financial assets on the basis of the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset, and subsequently measure the financial assets as either at amortized cost or at fair value. The new standard is mandatory for annual periods beginning on or after 1 January 2013. The Group has not had an opportunity to consider the potential impact of the adoption of this standard.

IAS 24 (Revised 2009) *Related Party Disclosures*

In November 2009, IAS 24 Related Party Disclosures was revised. The revision to the standard provides government-related entities with a partial exemption from the disclosure requirements of IAS 24. The revised standard is mandatory for annual periods beginning on or after 1 January 2011. The Group has not yet had an opportunity to consider the potential impact of the adoption of this revised standard.

IAS 32 (Amendments) *Financial Instruments: Presentation* and IAS 1 *Presentation of Financial Statements*

The amendments to IAS 32 and IAS 1 are effective for annual periods beginning on or after 1 February 2010. The amendments address the accounting for rights issues (rights, options or warrants) that are denominated in a currency other than the functional currency of the issuer. Previously, such rights issues were accounted for as derivative liabilities. However, the amendment requires that, provided certain conditions are met, such rights issues are classified as equity regardless of the currency in which the exercise price is denominated. The Group has not yet had an opportunity to consider the potential impact of the adoption of this amendment to the standard.

IFRIC 14 (Amendments) *Pre-payment of a Minimum Funding Requirement*

Amendments to IFRIC 14 are effective for annual periods beginning on or after 1 January 2011. The amendments affect entities that are required to make minimum funding contributions to a defined benefit pension plan and choose to pre-pay those contributions. The amendment requires an asset to be recognized for any surplus arising from voluntary pre-payments made. The Group does not expect any impact of the adoption of this amendment on the financial statements.

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

2.1.6 Adoption of New and Revised Standards (Continued)

(b) The following new standards, new interpretations and amendments to standards and interpretations have been issued but are not effective for the financial year beginning 1 January 2010 and have not been early adopted (Continued)

IFRIC 19 *Extinguishing Financial Liabilities with Equity Instruments*

IFRIC 19 is effective for annual periods beginning on or after 1 July 2010. IFRIC 19 addresses only the accounting by the entity that issues equity instruments in order to settle, in full or part, a financial liability. The Group has not yet had an opportunity to consider the potential impact of the adoption of this amendment to the standard.

Annual Improvements May 2010

Further to the above amendments and revised standards, the IASB has issued Annual Improvements to IFRSs in May 2010 that cover 7 main standards/intepretations as follow: IFRS 1 *First-time Adoption of International Financial Reporting Standards*; IFRS 3 *Business Combinations;* IFRS 7 *Financial Instruments: Disclosures*; IAS 1 *Presentation of Financial Statements*; IAS 27 *Consolidated and Separate Financial Statements*; IAS 34 *Interim Financial Reporting* and IFRIC 13 *Customer Loyalty Programmes*. With the exception of amendments to IFRS 3 and IAS 27 which are effective on or after 1 July 2010, all other amendments are effective on or after 1 January 2011. Early adoption of these amendments are allowed. The Group has not yet had an opportunity to consider the potential impact of the adoption of these amendments to the standards.

2.2 Summary of Significant Accounting Policies

The principal accounting policies adopted in the preparation of these consolidated financial statements are set out below:

Related parties

For the purpose of these consolidated financial statements, shareholders, key management personnel and board members, in each case together with their families and companies controlled by or affiliated with them, associates and joint ventures are considered and referred to as related parties (Note 28).

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

2.2 Summary of Significant Accounting Policies (Continued)

Trade receivables and provision for doubtful receivables

Trade receivables that are created by the Group by way of providing goods or services directly to a debtor are carried at amortised cost. Trade receivables, net of unearned financial income, are measured at amortised cost, using the effective interest rate method, less the unearned financial income. Short duration receivables with no stated interest rate are measured at the original invoice amount unless the effect of imputing interest is significant (Note 7).

A credit risk provision for trade receivables is established if there is objective evidence that the Group will not be able to collect all amounts due. Additionally, the Group impairs the receivables for which there are no guarantees or special agreements and which are overdue for more than one year. The amount of the provision is the difference between the carrying amount and the recoverable amount, being the present value of all cash flows, including amounts recoverable from guarantees and collateral, discounted based on the original effective interest rate of the originated receivables at inception.

If the impairment amount decreases due to an event occurring after the write-down, the release of the provision is credited to other income in the current period.

Financial assets

Financial assets intended to be held for an indefinite period of time, which may be sold in response to needs for liquidity or changes in interest rates are classified as "available-for-sale". Management determines the appropriate classification of its financial assets at the time of the purchase and re-evaluates such designations on a regular basis.

All financial assets are initially recognised at cost, being the fair value of the consideration given and including acquisition charges associated with the investment. Available-for-sale financial assets are subsequently re-measured at fair value if the fair values can be reliably measured.

For the financial assets which the Group owns less than %20 of the shares are measured at their acquisition cost less the impairment amount if the fair value cannot be reliably estimated. Gains and losses resulting from the fair value changes of the financial assets which are classified as "available-for-sale" are reflected to financial statements at the year end.

Unrealized gains and losses arising from changes in the fair value of securities classified as available-for-sale are deferred in the equity until the financial asset is sold, collected or otherwise disposed of. When available for sale securities are sold, collected or otherwise disposed of, related deferred gains and losses in equity are released to the statement of income.

Inventories

Inventories are valued at the cost or net realisable value. Cost elements included in inventories are materials, labour and an appropriate amount of factory overheads. The cost of inventories is determined using the moving weighted average and weighted average methods. Net realisable value is the estimated selling price in the ordinary course of business, less the costs of completion and selling expenses (Note 9).

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

2.2 Summary of Significant Accounting Policies (Continued)

Investment property and related depreciation

Buildings and land held to earn rent or for capital appreciation or both rather than for use in the production or supply of goods or services or for administrative purposes or sale in the ordinary course of business are classified as investment property. Investment properties are carried at cost less accumulated depreciation. Investment properties (except land) are amortised on a straight-line basis. Depreciation is calculated over the investment properties' book values. The depreciation periods for investment properties, which approximate the economic useful lives of such assets, is 50 years.

At each balance sheet date, the Group evaluates whether an indication of impairment exists. Where an indication of impairment exists; investment properties are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount, which is the higher of the asset's net selling price or value in use (Note 10).

Property, plant, and equipment and related depreciation

Property, plant and equipment are carried at cost less accumulated depreciation. They are amortised on a straight-line basis. The depreciation is calculated over tangible assets' purchasing power at the balance sheet date.

The depreciation periods for property, plant and equipment, which approximate the useful lives of such assets, are as follows:

Buildings, land improvements	25-50 years
Machinery and equipment	3-15 years
Furnitures and fixtures	4-15 years
Motor vehicles	5-10 years
Leasehold improvements	5 years

At each balance sheet date, the Group evaluates whether an indication of impairment exists. Where an indication of impairment exists; property, plant and equipment are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount, which is the higher of asset net selling price or value in use.

Gains or losses on disposals of property, plant and equipment are determined by comparing proceeds with carrying amounts and are included in operating profit.

Repair and maintenance expenses are charged to the income statement as they are incurred. Repair and maintenance expenditures are capitalized if they result in an enlargement or substantial improvement of the respective assets (Note 11).

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

2.2 Summary of Significant Accounting Policies (Continued)

Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary/associate at the date of acquisition.

Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. The Group performs the goodwill impairment tests at 31 December.

Intangible assets and related amortisation

Intangible assets comprise trademark, software, established information systems and other identified rights.

They are recorded at their acquisition cost and amortised using the straight-line method over their estimated useful lives for a period not exceeding 10 years. Where an indication of impairment exists, the carrying amount of any intangible asset is assessed and written down immediately to its recoverable amount (Note 12).

Estimated useful lives of the finited lived intangible assets are as follows:

Trademark	25 years
Rights	15 years
Other intangible assets	10 years

Taxes on income

Taxes include current period income taxes and deferred taxes. Current year tax liability consists of tax liability on period income calculated according to currently enacted tax rates and tax legislation in force as of balance sheet date and includes adjustments related to previous years' tax liabilities.

Deferred income tax is provided in full, using the liability method, on all temporary differences arising between the tax bases of assets and liabilities and their carrying values in the consolidated financial statements. Currently enacted tax rates are used to determine deferred income tax.

In substance, temporary differences arise from the differences in the periods of the recognition of income and expenses in accordance with the accounting policies described in Note 2 and tax legislation.

Deferred tax liabilities are recognized for all taxable temporary differences, whereas deferred tax assets resulting from deductible temporary differences are recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary difference can be utilized.

Deferred tax assets and deferred tax liabilities related to income taxes levied by the same taxation authority are offset accordingly.

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

2.2 Summary of Significant Accounting Policies (Continued)

Borrowings

Borrowings are recognized initially at the proceeds received, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost using the effective yield method. Any difference between proceeds, net of transaction costs, and the redemption value is recognized in the income statement as financial expense over the period of the borrowings (Note 6).

Provision for employment termination benefits

The Group is required to pay termination benefits to employees who is retired, whose employment is terminated without due causes in Labour Law, in accordance with the Law related with The Arrangement of the Relationships within the Employees in Press Sector (employees in media sector) and other laws. The provision for employment termination benefits, as required by Turkish Labour Law, is recognised in these financial statements as the benefits are earned. The total provision represents the present value of future probable obligation of the Group arising from the retirement of its employees regarding the actuarial projections (Note 16).

Provisions, contingent liabilities and assets

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made.

Possible assets or obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group are not included in financial tables and are treated as contingent assets or liabilities.

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits to the entity. Contingent assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized. A contingent asset is disclosed where an inflow of economic benefit is probable. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits will arise, the asset and the related income are recognized in the financial statements of the period in which the change occurs.

Share capital and dividends

Ordinary shares are classified as equity. Pro-rata capital increases to existing shareholders are accounted for at par value as approved. Dividends on ordinary shares are recognised in equity in the period in which they are declared. Share premium represents the difference between nominal value of the publicly held shares and their sales prices (Note 18).

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

2.2 Summary of Significant Accounting Policies (Continued)

Foreign currency transactions and translation

Income and expenses arising in foreign currencies have been translated at the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies have been translated at the exchange rates prevailing at the balance sheet dates. Exchange gains or losses arising from settlement and translation of foreign currency items have been included in the consolidated income statement.

Revenue recognition

Revenue from newspaper sales is recognised at the time of delivery of the newspapers by the distribution company to the vendor at the invoiced values. Revenue arising through advertising is recognised at the time of publishing, at the invoiced values. Revenue from unpublished part of advertisements is recognized as deferred income in balance sheet. The amount of recorded income should be measurable, economic benefits should arise as a result of the transactions, and the income should be accounted for with respect to the fair value of the receivable income. If the sales transaction is including a financing transaction, the fair value of the sales amount should be calculated according to the receivables dates related to the sales. Net sales represent the invoiced value of goods shipped less sales returns, commission, sales premiums given to the advertising agencies based on the advertising revenue, and excluding sales taxes. When the arrangement effectively constitutes a financing transaction, the fair value of the consideration is determined by discounting all future receipts using an imputed rate of interest. The difference between the fair value and the nominal amount of the consideration is recognized as interest income on a time proportion basis that takes into account the effective yield on the asset. Newspaper sale returns are recorded at the time of sale, based on previous experience and other relevant factors.

Interest income:

Interest income is recognized on a time proportion basis that takes into account the effective yield on the asset.

Rental income:

Rental income of investment properties is recognized on an accrual basis.

Service income:

Service income consisting of building contribution shares, electricity, and heating is recognised on an accrual basis.

Barter agreements

When goods or services are exchanged or swapped for goods or services which are of a similar nature and value, the exchange is not regarded as a transaction that generates revenue. When goods are sold or services are rendered in exchange for dissimilar goods or services, the exchange is regarded as a transaction that generates revenue. The revenue is measured at the fair value of the goods or services received. When the fair values of goods and services received cannot be estimated reliably, the revenue is measured at the fair value of the goods or services received, adjusted by the amount of any cash or cash equivalents transferred (Note 15).

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

2.2 Summary of Significant Accounting Policies (Continued)

Earnings / loss per share

Earnings /loss per share disclosed in the consolidated statements of income are determined by dividing net profit / loss by the weighted average number of shares that have been outstanding during the period concerned.

In Turkey, companies can increase their share capital by making a pro-rata distribution of shares ("bonus shares") to existing shareholders from retained earnings. For the purpose of earnings per share computations, such bonus share issuances are regarded as issued shares. Accordingly the weighted average number of shares used in earnings per share computations is derived by giving retroactive effect to the issuances of the shares without consideration (Note 27).

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, bank deposits and highly liquid assets, whose maturity at the time of purchase is less than three months (Note 4).

Web page development costs

The Group capitalises direct costs incurred in the development of its websites and recognises over the estimated useful lives. The costs incurred that relate to the planning and post implementation phases are expensed. Costs associated with repair and maintenance of the website is included in operating expenses in the consolidated statements of operations (Note 12).

Changes and errors in accounting policies and estimates

Material changes in accounting policies and material errors are corrected retrospect from previous periods' financial statements. If the accounting policy changes are only related with the current period, they are only reflected to the current period's financial statements; whereas if they are related with both the current and following periods, they are reflected to both periods in consideration of the definition of net income of the period.

During 2009, the Group re-evaluated the useful life of the buildings classified in investment property and increased to 50 years from 25 years. As a result of this change in estimate, depreciation charge for the period ended 30 June 2010 decreased by TL 185.300.

Subsequent events

Subsequent events consist of all events between balance sheet date and date of authorization for validity, even if they have been existed after public explanation of an announcement about profit or other financial information.

The Group adjusts amounts in financial statements accordingly, when an operation or event to be adjusted exists after balance sheet date.

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

2.2 Summary of Significant Accounting Policies (Continued)

Reporting of cash flows

In the statement of cash flows, cash flows during the period are classified under operating, investing or financing activities.

The cash flows raised from/ (used in) operating activities indicate cash flows due to the Group's operations.

The cash flows due to investing activities indicate the Group cash flows that are used for and obtained from investments (investments in property, plant and equipment and financial investments).

The cash flows due to financing activities indicate the cash obtained from financial arrangements and used in their repayment.

Cash and cash equivalents include cash and bank deposits and the investments that are readily convertible into cash and highly liquid with less than three months to maturity (Note 4).

Critical accounting estimates and judgements

Preparation of financial statements requires the use of estimates and assumptions that may affect the amount of assets and liabilities recognised as of the balance sheet date, contingent assets and liabilities disclosed and the amount of revenue and expenses reported. Although, these estimates and assumptions rely on the Group management's best knowledge about current events and transactions, actual outcomes may vary from those estimates and assumptions. The critical accounting estimates which may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities and operating results of the Group are as follows:

(a) Goodwill impairment test

Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. The fair value of cash generating units is determined on the basis of value-in-use calculations (Note 13).

(b) Impairment on intangible assets

At each balance sheet date, the Group evaluates whether an indication of impairment exists for intangible assets. Where an indication of impairment exists; intangible assets are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the carrying amount of the asset exceeds its recoverable amount, which is the higher of asset net selling price or value in use.

(c) Provisions

Provisions in the consolidated financial statements are based on Group management's best estimations.

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

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

2.2 Summary of Significant Accounting Policies (Continued)

(d) Carry forward tax losses

Deferred tax asset is calculated over the carry forward tax losses based on the projections of Group management (Note 26).

NOTE 3 – JOINT VENTURES

The joint venture and the proportion joint management at 30 June 2010 and 31 December 2009 are as follows:

	Proportion of joint management 30 June 2010	Proportion of joint management 31 December 2009	Joint venture partner
Birey Seçme ve Değerlendirme Danışmanlık Ltd. Şti.	50	50	Doğan Portal ve Elektronik Tic. A.Ş.

The aggregate amounts of current assets, non-current assets, current liabilities, non-current liabilities of the joint venture included in the consolidated financial statements as of 30 June 2010 and 31 December 2009 by using the proportionate consolidation method are as follows:

Balance sheets:	**30 June 2010**	**31 December 2009**
Current assets	52.420	21.906
Non-current assets	1.586	1.586
Total assets	**54.006**	**23.492**
Current liabilities	511.562	287.618
Non-current liabilities	-	-
Total liabilities	**511.562**	**287.618**
Equity	(457.556)	(264.126)
Total liabilities and equity	**54.006**	**23.492**

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

NOTE 3 – JOINT VENTURES (Continued)

Income and expenses of the joint venture for the six month periods ended 30 June 2010 and 2009 are as follows:

Income statements:

	1 January-30 June 2010	1 April-30 June 2010	1 January-30 June 2009	1 April-30 June 2009
Gross (loss) / profit	**(83.851)**	**(26.862)**	**(143)**	**258**
Marketing, selling and distribution expenses	(89.739)	(56.461)	(32.220)	(17.954)
General administrative expenses	(855)	(610)	(2.314)	(777)
Other income/(expenses)	1	1	(10.079)	(2.340)
Operating loss	**(174.444)**	**(83.932)**	**(44.756)**	**(20.813)**
Financial expenses	(18.985)	(10.146)	(11.332)	(6.126)
Loss before income taxes	**(193.429)**	**(94.078)**	**(56.088)**	**(26.939)**
Current income tax for the period	-	-	-	-
Deferred tax charge	-	-	-	-
Net loss for the period	**(193.429)**	**(94.078)**	**(56.088)**	**(26.939)**

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

NOTE 4 - CASH AND CASH EQUIVALENTS

The analysis of cash and cash equivalents at 30 June 2010 and 31 December 2009 is as follows:

	30 June 2010	31 December 2009
Cash	29.536	38.043
Banks		
- demand deposits	3.329.027	898.045
- TL time deposits	2.439.940	249.628
Other liquid assets	69.486	44.819
	5.867.989	**1.230.535**

The maturity analysis of cash and cash equivalents at 30 June 2010 and 31 December 2009 is as follows:

	30 June 2010	31 December 2009
Demand	3.428.049	980.907
Up to 3 months	2.439.940	249.628
Total	**5.867.989**	**1.230.535**

At 30 June 2010, effective interest rate for local currency time deposits is 6,5% (31 December 2009: TL time deposit 6,5%).

At 30 June 2010, cash and cash equivalents amounting to TL 12.597 (31 December 2009: TL 12.046) are held in blocked bank accounts as guarantees for bank borrowings.

NOTE 5 - FINANCIAL ASSETS

The analysis of financial assets at 30 June 2010 and 31 December 2009 is as follows:

	30 June 2010		31 December 2009	
		Share capital		Share capital
Available-for-sale investments	TL	(%)	TL	(%)
Doğan Haber Ajansı A.Ş.	51.590	2,65	51.590	2,65
Milliyet Verlags Und Handels GMBH.	17.236	17,34	17.236	17,34
Ak Enerji Elektrik Enerjisi A.Ş.	477	-	477	-
Doğan Dağıtım Satış ve Pazarlama A.Ş.	275	-	275	-
Doğan Dış Ticaret Mümessillik A.Ş.	4	-	4	-
Doğan Müzik Kitap Mağ. Paz. A.Ş.	3	-	3	-
Other	649.737		649.737	
Provision for impairment	(649.737)		(649.737)	
Total	**69.585**		**69.585**	

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

NOTE 6 - BORROWINGS

The analysis of bank borrowings at 30 June 2010 and 31 December 2009 is as follows:

Short term bank borrowings:	**30 June 2010**	**31 December 2009**
Short term bank borrowings	23.978.917	20.014.628
Total	**23.978.917**	**20.014.628**

	Effective interest rate (%)		**TL**	
	30 June 2010	**31 December 2009**	**30 June 2010**	**31 December 2009**
Short term bank borrowings				
- TL short term bank borrowings	10,5	14,3	23.978.917	20.014.628
Total			**23.978.917**	**20.014.628**

The contractual repricing schedule of bank borrowings at 30 June 2010 and 31 December 2009 is as follows:

	30 June 2010	**31 December 2009**
6 months or less	23.000.000	9.000.000
Total	**23.000.000**	**9.000.000**

As of 30 June 2010, TL 91.875 of total borrowings comprises consumer finance credits for vehicle purchase purposes and TL 887.042 of borrowings comprises of time maturity differences for liailities to government (31 December 2009:TL 105.537).

The fair value of short term borrowings approximates their carrying amount.

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

NOTE 7 - TRADE RECEIVABLES AND PAYABLES

The analysis of trade receivables and payables at 30 June 2010 and 31 December 2009 is as follows:

Short-term trade receivables

	30 June 2010	31 December 2009
Trade receivables	90.801.200	74.398.070
Cheques and notes receivable	1.043.001	332.845
Total	**91.844.201**	**74.730.915**
Less: Unearned finance income	(346.711)	(296.067)
Less: Provision for doubtful receivables	(18.217.233)	(15.649.595)
Grand total	**73.280.257**	**58.785.253**

The average due date of the Group's trade receivables is mainly 2-3 months (31 December 2009: 2-3 months).

In accordance with the factoring contract signed with Doğan Faktoring, trade receivable amounting to TL 65.356.046 (31 December 2009: TL 52.294.152) regarding advertisement revenues is followed by Doğan Faktoring. Unearned financial income due to trade receivables regarding advertisement revenues followed by Doğan Faktoring is TL 346.711 (31 December 2009:TL 296.067). Effective interest rate related with the receivables followed by Doğan Faktoring is 7% (31 December 2009: 7%).

The movements in the provision for doubtful receivables for the periods ended 30 June 2010 and 2009 are as follows:

	2010	2009
1 January	15.649.595	12.352.968
Additions during the period (Note 22)	3.594.345	2.310.505
Collections	(1.026.707)	(296.437)
30 June	**18.217.233**	**14.367.036**

Short-term trade payables	30 June 2010	31 December 2009
Trade payables	13.965.310	8.659.476
Cheques and notes payable	-	-
	13.965.310	**8.659.476**

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

NOTE 8 - OTHER RECEIVABLES AND PAYABLES

The analysis of other receivables and payables at 30 June 2010 and 31 December 2009 is as follows:

Other non-current receivables:	**30 June 2010**	**31 December 2009**
Deposits and guarantees given	56.351	65.033
	56.351	**65.033**

Other current payables:	**30 June 2010**	**31 December 2009**
Taxes and funds payable	4.010.030	5.040.193
Payables to personnel	2.029.456	925.286
Other	753.436	138.110
	6.792.922	**6.103.589**

NOTE 9 - INVENTORIES

The analysis of inventories at 30 June 2010 and 31 December 2009 is as follows:

	30 June 2010	**31 December 2009**
Promotion materials	9.085.930	7.520.517
Finished goods and merchandise	912.345	1.376.050
Raw materials and supplies	453.906	259.392
	10.452.181	**9.155.959**
Less: Provision for impairment on inventories	(2.712.408)	(2.712.408)
	7.739.773	**6.443.551**

Promotion materials are comprised of materials given together with the newspapers. Provision for impairment on inventories is related to the promotion materials.

The movements of provision for impairment of inventories during the periods are as follows:

	2010	**2009**
1 January	2.712.408	3.467.076
Decrease during the period	-	(30.294)
30 June	**2.712.408**	**3.436.782**

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

NOTE 10 - INVESTMENT PROPERTY

The movements in investment property during the periods 30 June 2010 and 31 December 2009 are as follows:

	1 January 2010	Additions	Disposals	Provision for impairment	Reversal of impairment	30 June 2010
Cost	21.165.628	1.815.418	(2.782.319)	-	147.600	20.346.327
Accumulated depreciation	8.251.481	165.294	(37.888)	-	-	8.378.887
Net book value	**12.914.147**					**11.967.440**

	1 January 2009	Additions	Disposals	Provision for impairment	Reversal of impairment	30 June 2009
Cost	14.856.565	3.202.390	(617.760)	(325.709)	189.620	17.305.106
Accumulated depreciation	8.028.937	42.734	(12.870)	-	-	8.058.801
Net book value (*)	**6.827.628**					**9.246.305**

TL 3.749.698 of the investment property comprise properties acquired by the Group in accordance with barter agreements, and TL 8.217.742 comprise leased buildings.

The fair value of the investment properties as of 31 December 2009 was determined as TL32.190.903. The fair value has been calculated by the Group management by using the monthly rental amounts determined by two different valuation companies with the rental amount comparison method. The rent income from the buildings leased in 2010 is TL 1.296.064 (2009: TL 1.030.284).

(*) Land amounting to TL5.539.598 included in "Property plant and equipment" in the consolidated balance sheet at 30 June 2009 have been reclassified to "Investment Property" in the current period.

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

NOTE 11 - PROPERTY, PLANT AND EQUIPMENT

The movements in property, plant and equipment during the periods 30 June 2010 and 31 December 2009 are as follows.

	1 January 2010	Additions	Disposals	30 June 2010
Cost				
Land and land improvements	1.538.814	98.209	-	1.637.023
Buildings	26.096.010	26.505	-	26.122.515
Machinery and equipment	22.491.309	115.328	-	22.606.637
Motor vehicles	949.722	38.194	(67.753)	920.163
Furniture and fixture	27.067.070	450.203	(1.659.870)	25.857.403
Leasehold improvements	1.938.231	5.393	-	1.943.624
	80.081.156	**733.832**	**(1.727.623)**	**79.087.365**
Accumulated depreciation				
Land and land improvements	1.341.208	11.495	-	1.352.703
Buildings	8.369.720	264.711	-	8.634.431
Machinery and equipment	20.797.003	164.447	-	20.961.450
Motor vehicles	586.702	92.840	(67.753)	611.789
Furniture and fixture	23.539.092	865.312	(1.657.493)	22.746.911
Leasehold improvements	1.350.594	120.786	-	1.471.380
	55.984.319	**1.519.591**	**(1.725.246)**	**55.778.664**
Net book value	**24.096.837**			**23.308.701**

As of 30 June 2010, there are no collateral and mortgage on property, plant and equipment (30 June 2009: none). TL 1.883.760 (30 June 2009: TL 2.060.952) of depreciation expense and amortization was included in cost of sales and TL 1.701.244 (30 June 2009: TL 1.927.400) was included in operating expenses.

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

NOTE 11 - PROPERTY, PLANT AND EQUIPMENT (Continued)

	1 January 2009	Additions	Disposals	30 June 2009
Cost				
Land and land improvements	1.538.814	-	-	1.538.814
Buildings	26.096.010	-	-	26.096.010
Machinery and equipment	22.048.468	136.477	(31.924)	22.153.021
Motor vehicles	1.337.299	-	(378.747)	958.552
Furniture and fixture	26.185.151	295.838	-	26.480.989
Leasehold improvements	1.820.400	24.817	-	1.845.217
	79.026.142	**457.132**	**(410.671)**	**79.072.603**
Accumulated depreciation				
Land and land improvements	1.318.521	11.670	-	1.330.191
Buildings	7.840.479	536.177	-	8.376.656
Machinery and equipment	20.482.840	179.641	(30.832)	20.631.649
Motor vehicles	695.107	126.611	(345.051)	476.667
Furniture and fixture	21.579.709	1.004.422	-	22.584.131
Leasehold improvements	1.079.677	139.447	-	1.219.124
	52.996.333	**1.997.968**	**(375.883)**	**54.618.418**
Net book value	**26.029.809**			**24.454.185**

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

NOTE 12 - INTANGIBLE ASSETS

The movements in intangible assets during the six month periods ended 30 June 2010 and 2009 are as follows:

	1 January 2010	Additions	Disposals	30 June 2010
Cost				
Rights	22.310.867	26.280	-	22.337.147
Trademark	57.781.640	-	-	57.781.640
Other	2.790.676	78.237	(50.000)	2.818.913
	82.883.183	**104.517**	**(50.000)**	**82.937.700**
Accumulated amortisation				
Rights	4.976.557	635.230	-	5.611.787
Trademark	4.271.330	1.172.627	-	5.443.957
Other	2.590.244	92.262	(41.668)	2.640.838
	11.838.131	**1.900.119**	**(41.668)**	**13.696.582**
Net book value	**71.045.052**			**69.241.118**

	1 January 2009	Additions	30 June 2009
Cost			
Trademark	57.781.640	-	57.781.640
Rights	22.211.092	97.184	22.308.276
Other	2.760.692	19.528	2.780.220
	82.753.424	**116.712**	**82.870.136**
Accumulated amortisation			
Trademark	1.926.055	1.172.627	3.098.682
Rights	3.714.864	635.911	4.350.775
Other	2.379.081	139.112	2.518.193
	8.020.000	**1.947.650**	**9.967.650**
Net book value	**74.733.424**		**72.902.486**

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

NOTE 13 - GOODWILL

The movements in goodwill during the six month periods ended 30 June 2010 and 2009 are as follows:

	2010	2009
1 January	113.857.178	113.857.178
30 June	113.857.178	113.857.178

Group acquired 99,99% shares of Bağımsız Gazeteciler for a consideration of TL 22.206.963. The Group recognised goodwill amounting to TL 62.864.882 for the excess of the consideration paid over the Group's interest in the fair value of the net assets of Bağımsız Gazetecilik. On 31 December 2008, the Group recognised deferred tax assets arising from unused tax losses, in the amount of TL 9.436.217, that were not previously recognised as identifiable asset since required conditions were not fulfilled during the purchase of Bağımsız Gazeteciler, in the scope of the IFRS 3 "Business Combinations" and decreased the carrying amount of the goodwill in the same amount.

Group has recognized TL 60.428.513 as goodwill resulting from the acquisition of Simge Yayıncılık A.Ş. on 31 December 2003.

NOTE 14 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

The analysis of provisions, contingent assets and liabilities at 30 June 2010 and 31 December 2009 is as follows:

i. Short term provisions	**30 June 2010**	**31 December 2009**
Provision for lawsuits	3.521.099	2.820.844
Other	24.144	20.444
	3.545.243	**2.841.288**

Movements of the "provision for lawsuits" during the periods are as follows:

	2010	2009
1 January	2.820.844	2.701.324
Increase during the period	700.255	194.522
30 June	**3.521.099**	**2.895.846**

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

NOTE 14 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)

ii. Lawsuits

The nature and amount of the litigations against the Group at 30 June 2010 and 31 December 2009 are as follows:

	30 June 2010	31 December 2009
Legal cases	17.991.797	16.810.105
Labor cases	1.545.510	1.303.457
Administrative cases	3.279.588	1.454.330
Commercial cases	1.334.000	1.588.483
Cancellation of appeal	-	47.537
	24.150.895	**21.203.912**

As of 30 June 2010, the provision for lawsuits amounting to TL3.521.099 (31 December 2009: TL2.820.844) has been set aside with reference to the opinions of the Group's lawyers and past experiences of management related to similar litigations against the Group.

iii. Tax penalty

The Group was subject to a tax penalty amounting to TL948.012, related to the interest expenses incurred during the purchase of subsidiary and VAT amounts in the interest invoices, with respect to the 2003 accounting period. Group management objected to the tax principal and fine amount and filed a lawsuit in the tax court. The management did not set aside any provision related to the issue in this consolidated financial statements in line with the counsel of the group legal consultant. (Note 26)

iv. Purchase of Bağımsız Gazetecilik

Group acquired 40,16% shares of Bağımsız Gazeteciler, which owns the brand name of Vatan Gazetesi and its franchise right, in consideration of USD7.228.125 and 100% shares representing the capital of Kemer Yayıncılık ve Gazetecilik A.Ş., which has a 59,84% shareholding in the share capital of Bağımsız Gazeteciler, taking into account the fact that almost all of Kemer Yayıncılık ve Gazetecilik A.Ş.'s assets are composed of its participation in Bağımsız Gazeteciler, in consideration of USD10.771.875.

The Competition Authority permitted the transaction via its decision taken on 10 March 2008 following the application made to the Competition Board regarding the above mentioned transactions, provided that:

- following two years after obtainment of permission, brand name Vatan Gazetesi and franchise rights will be transferred by releasing them of any obligations and debts, to persons or entities excluding Doğan Group, or an enterprise Doğan Group directly or indirectly controls (which has already been established, or which is to be established), and the relevant transfer is subject to approval of Competition Authority regardless of the deficiencies in the Communiqué No.1997/1;

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

NOTE 14 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)

iv. Purchase of Bağımsız Gazetecilik (Continued)

- if the brand Vatan Gazetesi and its franchise right cannot be sold under the above-mentioned conditions within two years from the date on which the permission is given, the brand and franchise right will be sold via tender under the supervision of Competition Authority within two months from the end of the second year;
- if the brand and franchise right cannot be sold during this tender process, Doğan Group continues to own the brand Vatan Gazetesi and its franchise right for three years following the tender; Doğan Group meets the liabilities necessary for the brand's legal existence; Doğan Group does not use the said brand name and franchise on any periodicals; Doğan Group evaluates any demands or requests as being subject to the approval of Competition Board pursuant to this decision in the case of any demand towards the said brand and franchise right during the relevant period; and Doğan Group possesses all kinds of usage rights on the brand, if the brand and franchise right cannot be still sold after this period expires.

Subsequent to the decision of the Competition Authority dated 26 September 2008 regarding the permission to purchase within stated terms being received by the Company, a lawsuit was filed with the Council of State, demanding a stay of execution of the terms stated in the decision. On 13 February 2009, the Council of State ruled for a stay of execution of the terms, subject to lawsuit and included in the decision of the Competition Authority dated 10 March 2008. Accordingly, the part of the Competition Authority decision related to the purchase of Bağımsız Gazeteciler and Kemer Yayıncılık shares by Doğan Gazetecilik A.Ş. is effective, and the stay of execution only applies to the terms included in the decision, which are subject to the lawsuit. Appeal of the Competition Authority for the stay of execution is rejected with the decision of the Plenary Session of the Administrative Law Divisions on 16 September 2009. Counsil of State, with its decision dated 13 March 2010, has concluded the cancellation of circumstances regarding the decision of stay of execution dated 10 March 2008 included in the decision of Competition Authority. Competition Authority has applied to Council of State for the appeal of the decision.

NOTE 15 - COMMITMENTS

i. Letter of guarantees and guarantee notes given

Collaterals, pledges and mortgages (CPM) given by the Group at 30 June 2010 and 31 December 2009 are as follows:

	30 June 2010	31 December 2009
A. Total amount of the CPM given for its own legal entity (1)	10.275.778	7.167.943
B. CPM given on behalf of fully consolidated companies	1.484.848	79.250
C. CPM given on behalf of the third parties' debt for the continuation of their economic activities	-	-
D. Total amount of other CPM		
i. Given on behalf of majority shareholder	-	-
ii. Given on behalf of other group companies which are not in the scope of B and C	-	-
iii. Given on behalf of third parties which are not in scope of C	-	-
TOPLAM	**11.760.626**	**7.247.193**

(1) Collaterals, pledges and mortgages are given to executive offices, courts, customs offices, the National Lottery.

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

NOTE 15 – COMMITMENTS (Continued)

ii. Barter agreements

The Group, as a common practice in the media sector, has entered into barter agreements which involve the exchange of goods or services without cash collections or payments. In connection with the barter agreements as of 30 June 2010, the Group is under obligation to provide advertisement services to Group and non-group companies amounting to TL11.270.937 (31 December 2009: TL9.437.489) and TL2.182.107 respectively (31 December 2009: TL1.498.159). The Group has the right to purchase various types of goods and render services amounting to TL9.148.019 (31 December 2009: TL11.012.596) regarding barter agreements, including purchase right from related parties amounting to TL1.098.867 (31 December 2009: TL4.750.354).

NOTE 16 - PROVISION FOR EMPLOYMENT TERMINATION BENEFITS

	30 June 2010	31 December 2009
Provision for employment termination benefits	8.359.992	7.669.281

Under the Turkish Labour Law, the Group is required to pay termination benefits to each employee who has completed one year of service and who achieves the retirement age (58 for women and 60 for men) and whose employment is terminated without due cause, is called up for military service, or dies. Since the legislation was changed on 23 May 2002 there are certain transitional provisions relating to length of service prior to retirement.

At 30 June 2010 the amount payable consists of one month's salary limited to a maximum of TL2.427,04 (31 December 2009: TL2.365,16) for each year of service.

In addition, according to press sector regulations, companies should make payments to personnel who work for a minimum of 5 years and whose employment is terminated without due cause. The maximum payable amount is 30 days' salary for each year of service.

The liability is not funded, as there is no funding requirement.

Provision for employment termination benefits is calculated by estimating the present value of the future probable obligation arising from the retirement of the employees of the Group.

Accounting Standards specified in Note 2 require actuarial valuation methods to be developed to estimate the enterprise's obligation under defined benefit plans. Accordingly the following actuarial assumptions were used in the calculation of the total provision:

	30 June 2010	31 December 2009
Discount rate (%)	5,92	5,92
Turnover rate to estimate the probability of retirement (%)	93	93

The principal assumption is that the maximum liability for each year of service will increase in line with inflation. Thus, the discount rate applied represents the expected real rate after adjusting for the anticipated effects of future inflation. As the maximum liability is revised semi-annually, the maximum amount of TL 2.517,01 effective from 1 July 2010 (1 July 2009: TL 2.365,16) has been taken into consideration in calculating the reserve for employment termination benefit of the Group.

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

NOTE 16 - PROVISION FOR EMPLOYMENT TERMINATION BENEFITS (Continued)

Movements in the provision for employment termination benefits for the six month periods ended 30 June 2010 and 2009 are as follows:

	2010	2009
1 January	7.669.281	5.292.537
Increase during the period	2.128.149	949.514
Actuarial increase	-	235.983
Payments during the period	(1.437.438)	(1.045.246)
30 June	**8.359.992**	**5.432.788**

NOTE 17 - OTHER ASSETS AND LIABILITIES

The analysis of other assets and liabilities at 30 June 2010 and 31 December 2009 is as follows:

i. Other current assets:

	30 June 2010	31 December 2009
Prepaid expenses	1.804.137	2.703.585
Personnel advances	1.048.704	1.962.424
Advances given for the purchase of inventories	791.498	1.558.862
Job advances	551.579	415.764
Deferred VAT and other tax receivables	342.810	5.907.395
Prepaid taxes and funds	1.261	268.551
Income accruals	183.544	40.344
	4.723.533	**12.856.925**
Provision for diminution in value	(357.160)	(660.893)
	4.366.373	**12.196.032**

ii. Other non-current assets:

	30 June 2010	31 December 2009
Deferred VAT and other tax receivables	6.045.882	4.561.227
	6.045.882	**4.561.227**

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

NOTE 17 - OTHER ASSETS AND LIABILITIES (Continued)

Provision for diminution in value is related to the prepaid expenses.

iii. Other current liabilities:

	30 June 2010	31 December 2009
Tax penalty liability (*)	-	8.833.140
Deferred revenue	3.585.311	1.997.975
Unused vacation liability	2.943.720	2.553.169
Endorsement premium liability	2.403.140	-
Provisions for promotion inventories	741.191	1.785.818
	9.673.362	**15.170.102**

(*) This liability is related to the original tax amount, tax penalty and late payment interest, amounting to TL8.833.140 based on the negotiations for the original tax, tax loss penalty and special penalty of irregularity notified as a result of the tax inspection performed in the Group for the fiscal years 2004, 2005, 2006 and 2007. This obligation was paid on 11 January 2010 (Note 26).

NOTE 18 - EQUITY

Doğan Gazetecilik A.Ş.'s shareholders and shareholding structure at 30 June 2010 and 31 December 2009 are as follows:

	30 June 2010		31 December 2009	
Shareholders	**TL**	**Share %**	**TL**	**Share %**
Doğan Yayın Holding A.Ş.	74.300.205	70,76	74.300.205	70,76
Open to public	30.151.167	28,72	30.151.167	28,72
Other	548.628	0,52	548.628	0,52
	105.000.000	**100,00**	**105.000.000**	**100,00**
Adjustment to share capital	45.910.057		45.910.057	
Paid in capital	**150.910.057**		**150.910.057**	

The total authorised number of ordinary shares is 105.000.000 (31 December 2009: 105.000.000) with a par value of TL1 per share (31 December 2009: TL1). All issued shares are fully paid.

Doğan Yayın Holding A.Ş. owns 12,67% of shares offered to the public as of 30 June 2010 (31 December 2009: 12,67%).

NOTE 18 - EQUITY (Continued)

Due to tax principal and tax penalty notices communicated by the related tax office, the shares that Doğan Yayın Holding A.Ş. possesses in the Doğan Gazetecilik A.Ş.'s share capital and which represent 70,76% of the share capital of Doğan Gazetecilik A.Ş. included in the export/investment accounts of the Central Registry Institution and Intermediary Institution were immobilised and their transfer has been restricted. In the public announcement of Doğan Yayın Holding, dated 1 February 2010, 19 March 2010 and 6 May 2010 it was mentioned that a significant portion of the lawsuits filed for the aforementioned tax amounts and notices have been finalised in favour of Doğan Yayın Holding. Since it is thought that the amount of sequestration exceeds the total public receivable accrued, Doğan Yayın Holding expects that the sequestration exceeding the public receivable will be removed after the assessment of the related tax office.

22.000.000 units of shares with a nominal value of TL1, corresponding to 22% of the Company Capital were allocated to Deutsche Bank AG by Deutsche Securities Menkul Degerler A.Ş. with the transaction in ISE wholesales market on 19 November 2007, through restricting new share purchase completely, each share with TL1 nominal value having the price of USD4,0 (TL4,73). Share premium arising in the amount of TL 82.060.000 was recognized in the equity capital.

Adjustment to share capital represents the restatement effect of cash contributions to share capital at year-end equivalent purchasing power.

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

The amounts stated above shall be presented as "Restricted reserves" in accordance with CMB Financial Reporting Standards. The Company's restricted reserve as at 30 June 2010 is TL 1.619.190 (31 December 2009: TL 1.279.827).

In accordance with the CMB regulations effective until 1 January 2008, the inflation adjustment differences arising at the initial application of inflation accounting which are recorded under "accumulated losses" could be netted off from the profit to be distributed based on CMB profit distribution regulations. In addition, the aforementioned amount recorded under "accumulated losses" could be netted off with net income for the period, if any, undistributed prior period profits, and inflation adjustment differences of extraordinary reserves, legal reserves and capital, respectively.

In addition, in accordance with the CMB regulations effective until 1 January 2008, "Capital, Share Premiums, Legal Reserves, Special Reserves and Extraordinary Reserves" were recorded at their statutory carrying amounts and the inflation adjustment differences related to such accounts were recorded under "inflation adjustment differences" at the initial application of inflation accounting. "Equity inflation adjustment differences" could have been utilised only in issuing bonus shares and offsetting accumulated losses, carrying amount of extraordinary reserves could have been utilised in issuing bonus shares, cash dividend distribution and offsetting accumulated losses.

NOTE 19 - EQUITY (Continued)

In accordance with the Communiqué No:XI-29 and related announcements of CMB, effective from 1 January 2008, "Share capital", "Restricted reserves" and "Share premiums" shall be carried at their statutory amounts. The valuation differences arised due to implementing the communiqué (such as inflation adjustment differences) shall be disclosed as follows:

- if the difference is arising due to the inflation adjustment of "Paid-in capital" and not yet been transferred to capital should be classified under the "Inflation adjustment to share capital";

- if the difference is due to the inflation adjustment of "Restricted reserves" and "Share premium" and the amount has not been utilised in dividend distribution or capital increase yet, it shall be classified under "Retained earnings".

Other equity items shall be carried at the amounts calculated based on CMB Financial Reporting Standards.

Capital adjustment differences have no other use other than being transferred to share capital.

Open to public companies are subject to dividend requirements regulated by CMB as follows:

Dividend payment:

Based on CMB Decree No. 02/51, dated 27 January 2010, there is no mandatory minimum profit distribution requirement for the quoted entities at the stock exchange for profits arising from operations in 2009. Regarding the dividend distribution for the current and following years, the entities are to distribute their profits for the current and following years under the scope of CMB Communiqué No. IV-27, their articles of association and their previously publicly declared profit distribution policies. In regards to the profit distribution, in accordance with the decision of the General Assembly, the distribution can be made as cash or as bonus shares or as a combination of a certain percentage of cash and bonus shares. It is also permitted to retain this amount in the Company reserves if the first dividend amount is below 5% of the paid in/issued capital; however if the Company has increased its paid-in capital without dividend distribution in the previous year when the outstanding shares have been identified as "old" and "new", it is mandatory for companies that will make profit distribution from the net distributable profit of the previous year to make this first dividend distribution in cash.

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

NOTE 19 - SALES AND COST OF SALES

	1 January - 30 June 2010	1 April - 30 June 2010	1 January - 30 June 2009	1 April - 30 June 2009
Domestic sales, net	181.266.006	96.568.992	169.739.096	90.041.988
Cost of sales	(108.161.995)	(56.684.229)	(121.960.755)	(56.879.511)
Gross profit	**73.104.011**	**39.884.763**	**47.778.341**	**33.162.477**

The details of sales income and cost of sales for the six month periods ended 30 June 2010 and 2009 are as follows:

Sales income

	1 January - 30 June 2010	1 April - 30 June 2010	1 January - 30 June 2009	1 April - 30 June 2009
Advertising income	95.276.263	55.316.687	86.620.460	46.997.811
Newspaper sales income	83.177.323	39.732.493	80.984.063	42.327.052
Other income	2.812.420	1.519.812	2.134.573	717.125
Sales income, net	**181.266.006**	**96.568.992**	**169.739.096**	**90.041.988**

Cost of sales

	1 January - 30 June 2010	1 April - 30 June 2010	1 January - 30 June 2009	1 April - 30 June 2009
Raw material costs	44.312.839	23.357.599	67.041.423	30.030.609
Payroll costs	19.673.098	10.393.118	13.164.579	6.681.351
Printing costs	18.032.682	9.702.841	16.740.640	7.969.874
News production costs	14.517.278	7.580.415	14.947.561	7.386.265
Depreciation and amortization expenses	1.883.760	945.659	2.060.952	1.044.430
Other	9.742.338	4.704.597	8.005.600	3.766.982
	108.161.995	**56.684.229**	**121.960.755**	**56.879.511**

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

NOTE 20 - MARKETING, SELLING AND DISTRIBUTION EXPENSES, GENERAL ADMINISTRATIVE EXPENSES

Marketing, sales and distribution expenses

	1 January - 30 June 2010	1 April - 30 June 2010	1 January - 30 June 2009	1 April - 30 June 2009
Promotion expenses	17.102.847	8.644.054	6.330.693	3.946.753
Advertisement expenses	12.834.973	6.408.648	14.082.257	7.409.354
Distribution expenses	10.685.562	5.334.024	10.287.290	4.987.643
Personnel expenses	9.337.737	4.876.825	8.235.294	4.349.820
Presentation and marketing expenses	2.199.419	1.525.642	2.925.209	2.062.525
Travel expenses	644.592	331.157	610.684	352.410
Sponsorship expenses	516.135	229.217	339.375	208.553
Consulting expenses	278.558	181.872	212.886	168.832
Communication expenses	220.454	109.158	290.670	161.122
Packaging expense	10.725	6.790	18.256	8.959
Other	2.339.125	999.391	2.690.357	1.545.495
	56.170.127	**28.646.778**	**46.022.971**	**25.201.466**

General administrative expenses

	1 January - 30 June 2010	1 April - 30 June 2010	1 January - 30 June 2009	1 April - 30 June 2009
Personnel expenses	6.499.277	3.411.852	6.063.508	3.072.712
Consulting expenses	2.171.375	1.305.448	1.921.596	1.011.386
Depreciation and amortization expenses	1.593.016	768.080	1.612.626	730.791
Maintenance expenses	512.989	253.754	507.243	567.499
Rent expenses	390.556	207.589	329.424	170.278
Transportation expenses	350.068	189.630	445.102	308.178
Legal expenses	223.263	173.832	318.342	266.342
Electricity expenses	180.762	88.388	165.357	85.661
Communication expenses	130.110	62.530	208.930	117.384
Cleaning expenses	118.694	71.072	114.655	83.454
Other	1.144.708	566.555	1.136.529	466.908
	13.314.818	**7.098.730**	**12.823.312**	**6.880.593**

NOTE 21 - EXPENSES BY NATURE

As of 30 June 2010 and 2009, expenses are disclosed by function and the analysis of the expenses is summarized in Note 19 and Note 20.

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

NOTE 22 - OTHER OPERATING INCOME/(EXPENSES)

The details of other operating income and expense for the six month periods ended 30 June 2010 and 2009 are as follows:

i. Other operating income:	**1 January - 30 June 2010**	**1 April - 30 June 2010**	**1 January - 30 June 2009**	**1 April - 30 June 2009**
Provision reversal	1.750.775	1.555.891	729.858	652.040
Rent income	1.329.646	651.745	1.064.868	530.772
Gain on sale of fixed assets	68.391	59.332	79.422	79.422
Other	5.210.629(*)	5.132.699	309.797	113.223
	8.359.441	**7.399.667**	**2.183.945**	**1.375.457**

(*) TL5.095.000 of the additions is related to the sale of trademark and royalty of Radikal Gazetesi to Hürriyet Gazetecilik ve Matbaacılık A.Ş. Sales price is based on the report of independent valuer. Sales amount is recorded to "Other operating income" at consolidated statements of comprehensive income.

ii. Other operating expenses:	**1 January - 30 June 2010**	**1 April - 30 June 2010**	**1 January - 30 June 2009**	**1 April - 30 June 2009**
Provision for doubtful receivables	(3.594.345)	(3.351.905)	(2.310.505)	(1.353.913)
Provision for lawsuits	(772.925)	(425.786)	(284.333)	(187.693)
Provision for impairment on investment property	-	-	(325.709)	(325.709)
Loss on sale of fixed assets	(479.510)	(461.504)	(162.299)	(162.299)
Other	(1.646.404)(**)	(1.638.619)	(311.226)	(218.390)
	(6.493.184)	**(5.877.814)**	**(3.394.072)**	**(2.248.004)**

(**) "Other" balance includes total of original tax amount and penalty amounting to TL1.391.165 related with the 2008 period tax audit report (Note 26).

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

NOTE 23 - FINANCIAL INCOME

The details of financial income for the periods ended 30 June 2010 and 2009 are as follows:

	1 January - 30 June 2010	1 April - 30 June 2010	1 January - 30 June 2009	1 April - 30 June 2009
Finance income - sales with maturity	1.117.348	681.522	1.476.052	481.889
Foreign exchange gains	538.151	296.237	848.773	559.571
Interest income	98.139	58.066	757.012	230.333
	1.753.638	**1.035.825**	**3.081.837**	**1.271.793**

NOTE 24 - FINANCIAL EXPENSES

The details of financial expenses for the periods ended 30 June 2010 and 2009 are as follows:

	1 January - 30 June 2010	1 April - 30 June 2010	1 January - 30 June 2009	1 April - 30 June 2009
Interest expenses	(1.789.624)	(522.594)	(2.037.909)	(1.266.010)
Foreign exchange losses	(995.615)	(637.694)	(1.629.850)	3.572.452
Finance expense - purchases with maturity	(320.908)	(234.607)	(382.371)	(198.604)
Other financial expenses	(815.869)	(447.771)	(666.937)	(232.625)
	(3.922.016)	**(1.842.666)**	**(4.717.067)**	**1.875.213**

NOTE 25 - NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

There are no non-current assets held for sale as at 30 June 2010 (31 December 2009: none).

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

NOTE 26 - TAXATION

	30 June 2010	31 December 2009
Corporate tax payable	2.571.412	2.275.801
Less: Prepaid taxes	(18.520)	(2.249.364)
Prepaid tax	**2.552.892**	**26.437**

Turkish tax legislation does not permit a parent company and its subsidiaries to file a consolidated tax return. Therefore, provisions for taxes, as reflected in these consolidated financial statements, have been calculated on a separate-entity basis.

Corporate Income Tax Law numbered 5520 was published in the official gazette numbered dated 13 September 2006 and most clauses has came into effect from 1 January 2006 .The corporation tax rate of the fiscal year 2010 is 20% (2009: 20%). Corporation tax is payable at a rate of 20% on the total income of the Company after adjusting for certain disallowable expenses, exempt income and allowances. No further tax is payable unless the profit is distributed (except withholding tax at the rate of 19.8% on the investment incentive allowance utilized within the scope of the Income Tax Law transitional article 61).

Dividends paid to non-resident corporations which have a place of business in Turkey or resident corporations are not subject to withholding tax. Otherwise dividends paid are subject to withholding tax at the rate of 15%. An increase in capital via issuing bonus shares is not considered as a profit distribution and thus does not incur withholding tax.

Corporations are required to pay advance corporation tax quarterly at the rate of 20% (31 December 2009: 20%) on their corporate income. Advance tax is to be declared by the 14th day of the second month following each calendar quarter end and is payable by the 17th of the second month following each calendar quarter end. Advance tax paid by corporations is credited against the annual corporation tax liability. The balance of the advance tax paid may be refunded or used to be set off against other liabilities to the government.

In accordance with Tax Law No.5024 "Law Related to Changes in Tax Procedural Law. Income Tax Law and Corporate Tax Law" that was published on the Official Gazette on 30 December 2003 to amend the tax base for non-monetary assets and liabilities effective from 1 January 2004 income and corporate taxpayers will prepare the statutory financial statements by adjusting the non-monetary assets and liabilities for the changes in the general purchasing power of the Turkish lira. In accordance with the aforementioned laws' provisions, in order to apply inflation adjustment the cumulative inflation rate (SIS-WPI) over the last 36 months and 12 months must exceed 100% and 10% respectively. Inflation adjustment has not been applied as these conditions were not fulfilled since 1 January 2005.

In Turkey there is no procedure for a final and definitive agreement on tax assessments. Companies file their tax returns within the 25th of the fourth month following the close of the financial year to which they relate.

NOTE 26 – TAXATION (Continued)

Tax returns are open for 5 years from the beginning of the year that follows the date of filing during which time the tax authorities have the right to audit tax returns, and the related accounting records on which they are based, and may issue re-assessments based on their findings.

Under the Turkish taxation system tax losses can be carried forward to offset against future taxable income for up to 5 years. Tax losses can not be carried back to offset profits from previous periods.

Tax penalty

It has been compromised before assessment on 11 December 2009 regarding the tax inspection reports including the TL 10.092.007 original tax amount, TL 11.157.961 tax loss penalty and TL 171.942 special penalty of irregularity which related to periods 2004, 2005, 2006 and 2007 which were announced to the Group on 25 November 2009. The original tax and tax loss penalty were determined as TL 4.465.500, special penalty of irregularity was cancelled. Compromsied amount of TL 4.465.500 and late payment interest of TL 4.367.640, in total TL 8.833.140 was paid on 11 January 2010 (Note 26).

The Group was subject to a tax penalty amounting to TL 948.012, related to the interest expenses incurred during the purchase of subsidiary and VAT amounts in the interest invoices, with respect to the 2003 accounting period. Group management objected to the tax principal and fine amount and filed a lawsuit in the tax court. The management did not set aside any provision related to the issue in this consolidated financial statements in line with the counsel of the group legal consultant. (Note 26)

Total of TL 1.391.165 related with the 2008 period tax audit report which was announced to the Group from Tax Inspection Authority, including TL 1.035.000 original tax amount and penalty and TL 356.165 late payment interest is paid to tax authority.

There is no continuing tax inspection except for the ones stated above.

There are numerous exemptions in the Corporate Tax Law concerning the corporations. Those related to the Group are as follows:

Exemption for participation in domestic subsidiaries:

Dividends obtained from Turkish resident corporations and dividends received by founders' shares and bonus shares (dividends from investment fund participation certificates are excluded), and investment partnership shares are exempt from corporate tax.

Exemption for share premium:

Profits from the sale of preferential right certificates and share premiums generated from the sale of shares at a price exceeding face values of those shares during incorporations or capital increases of joint stock companies are exempt from corporate tax.

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

NOTE 26 – TAXATION (Continued)

The taxes on income for the periods ended 30 June 2010 and 2009 is summarized as follows:

	1 January - 30 June 2010	1 April - 30 June 2010	1 January - 30 June 2009	1 April - 30 June 2009
- Current year corporate tax	(2.571.412)	(2.554.152)	(73.895)	(35.928)
- Deferred tax benefit / (charge)	(105.628)	(659.471)	1.779.861	(1.422.044)
Total tax (expense) / income	**(2.677.040)**	**(3.213.623)**	**1.705.966**	**(1.457.972)**

The reconciliation of the taxation on income in the consolidated statement of income for the periods ended 30 June 2010 and 2009 and the taxation on income calculated with the current tax rate over income from continuing operations before tax is as follows:

	30 June 2010	30 June 2009
Profit / (loss) before income taxes	3.316.943	(13.913.299)
Income tax rate %20 (2009: %20)	(663.389)	2.782.660
Effects of carry forward tax losses over which deferred tax asset is net recognized	(109.251)	(70.733)
Income not subject to tax	-	35.318
Expenses not deductible for tax purposes	(1.969.779)	(958.480)
Other	65.377	(82.799)
Total	**(2.677.042)**	**1.705.966**

Deferred taxes

The Group recognizes deferred income tax assets and liabilities based upon temporary differences arising between their financial statements as reported under CMB Financial Reporting Standards and their statutory tax financial statements as stated at Note 2. These differences usually result in the recognition of revenue and expenses in different reporting periods for CMB Financial Reporting Standards and tax purposes as stated at Note 2.

Deferred income taxes are calculated on temporary differences that are expected to be realized or settled based on the taxable income in coming years under the liability method using a principal tax rate of 20% (31 December 2009: 20%).

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

NOTE 26 – TAXATION (Continued)

Deferred taxes (Continued)

The temporary differences giving rise to deferred income tax assets/(liabilities) using the enacted tax rates as of 30 June 2010 and 31 December 2009 are as follows:

	Temporary differences		Deferred tax assets/(liabilities)	
	30 June 2010	**31 December 2009**	**30 June 2010**	**31 December 2009**
Carry forward tax losses (1)	86.874.028	79.937.691	11.989.095	11.813.665
Provision for employment termination benefits	8.359.992	7.669.281	1.671.998	1.533.856
Provision for doubtful receivables	4.474.511	5.153.821	894.902	1.030.764
Deductable income tax witholding	-	3.730.000	-	746.000
Unused vacation liability	2.943.720	2.553.169	588.744	510.634
Provision for impairment on inventories	2.712.408	2.712.408	542.482	542.482
Provision for endorsement premium	2.403.140	-	480.628	-
Provision for lawsuits	1.531.545	1.592.567	306.309	318.513
Provision for promotion stocks	741.191	1.785.818	148.238	357.164
Other provisions	357.160	660.893	71.432	132.179
Unearned finance income	346.711	296.067	69.342	59.213
Deferred tax assets			**16.763.170**	**17.044.470**
Difference between the tax base and carrying value of property, plant and equipment and intangible assets	(52.124.554)	(53.005.377)	(10.424.911)	(10.601.075)
Unearned finance expenses	(121.704)	(119.236)	(24.341)	(23.849)
Deferred tax liabilities			**(10.449.252)**	**(10.624.924)**
Deferred tax assets, net			**6.313.918**	**6.419.546**

(1) Deferred income tax assets are recognized for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized. As of 30 June 2010, carry forward tax losses for which deferred income tax asset was recognized amounted to TL59.945.477 (31 December 2009: TL59.068.325). As of 30 June 2010, total amount of carry forward tax losses is TL86.874.028 (31 December 2009: TL79.937.691).

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

NOTE 26 – TAXATION (Continued)

Deferred tax assets:	**30 June 2010**	**31 December 2009**
To be recovered after one year	13.662.679	12.053.166
To be recovered within one year	3.100.491	4.991.304
Total	**16.763.170**	**17.044.470**

Deferred tax liabilities:	**30 June 2010**	**31 December 2009**
To be recovered after one year	(10.424.911)	(9.918.625)
To be recovered within one year	(24.341)	(706.299)
Total	**(10.449.252)**	**(10.624.924)**

The maturity analysis of carry forward tax losses is as follows:

	30 June 2010	**31 December 2009**
2010	8.776.006	6.468.966
2011	10.191.355	10.191.355
2012	13.612.629	13.612.629
2013	19.597.492	19.597.492
2014	7.767.995	9.197.883
Total	**59.945.477**	**59.068.325**

The movements in deferred income tax assets for the periods ended 30 June are as follows:

	2010	**2009**
1 January	6.419.546	3.850.344
Deferred tax benefit/charge	(105.628)	1.779.861
30 June	**6.313.918**	**5.630.205**

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

NOTE 27 - EARNINGS / (LOSS) PER SHARE

Earnings / (loss) per share for each class of shares disclosed in the consolidated statements of income is determined by dividing the net profit / (loss) by the weighted average number of shares of that class that have been outstanding during the period.

	1 January - 30 June 2010	1 April - 30 June 2010	1 January - 30 June 2009	1 April - 30 June 2009
Net profit / (loss) for the period	614.073	1.592.758	(12.206.602)	1.895.315
Weighted average number of shares with face value of TL1 each	105.000.000	105.000.000	105.000.000	105.000.000
Earnings / (loss) per share (Kr)	0,6	1,5	(11,6)	1,8

NOTE 28 - TRANSACTIONS AND BALANCES WITH RELATED PARTIES

A summary of the balances and transactions with related parties for the periods ended is disclosed below:

a) Due from related parties:

	30 June 2010	31 December 2009
Medyanet İletişim Reklam Paz. Turizm A.Ş. ("Medyanet")	9.771.430	8.142.990
Doğan Dağıtım Satış ve Pazarlama A.Ş. ("Doğan Dağıtım")	5.190.397	3.580.942
Mutlu Dergi Grubu A.Ş. (önceki ünvanı ile Vatan Imako Medya Yayıncılık A.Ş.)	956.022	941.905
Mozaik İletişim Hizmetleri A.Ş.(''Mozaik'')	510.465	-
Birey İK	493.252	264.590
Milliyet Verlags und Handels GmbH ("Milliyet Verlags")	315.734	330.186
Vatan Dergi Grubu A.Ş.	-	2.634.534
Doğan TV Holding A.Ş. ("Doğan TV")	-	1.191.740
Other	517.284	918.965
Total	**17.754.584**	**18.005.852**

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

NOTE 28 - TRANSACTIONS AND BALANCES WITH RELATED PARTIES (Continued)

b) Due to related parties:	**30 June 2010**	**31 December 2009**
DTV Haber ve Görsel Yayıncılık A.Ş. ("Kanal D")	14.395.688	13.252.988
Hürriyet Gazetecilik ve Matbaacılık A.Ş. ("Hürriyet")	11.359.211	10.747.754
Işıl İthalat ve İhracat Mümessillik A.Ş. ("Işıl İthalat İhracat")	11.046.618	10.127.232
Doğan Dış Ticaret ("Dış Ticaret")	5.465.349	4.394.709
Doğan Ofset Yayıncılık ve Matbaacılık A.Ş. ("Doğan Ofset")	1.963.680	748.534
Milta Turizm İşletmeleri A.Ş. ("Milta Turizm")	427.211	505.761
Doğan Faktoring Hizmetler A.Ş. ("Doğan Faktoring")	339.305	2.042.953
Doğan İletişim Elektronik Servis Hizmetleri ve Yayıncılık A.Ş. ("Doğan Online")	303.352	828.911
Doğan Burda Dergi Yayıncılık ve Pazarlama A.Ş. ("Doğan Burda")	217.534	499.010
Doğan Yayın Holding A.Ş. ("Yayın Holding")	24.486	1.019.175
Other	130.236	297.767
	45.672.670	**44.464.794**
Less: Unearned finance expense due to purchases with maturity	(121.704)	(119.236)
	45.550.966	**44.345.558**

Due to Işıl İthalat ve İhracat is related with paper purchases. Due to Hürriyet is related with printing of newspapers.

c) Service and product sales to related parties:

	1 January - 30 June 2010	**1 April - 30 June 2010**	**1 January - 30 June 2009**	**1 April - 30 June 2009**
Doğan Dağıtım	82.726.530	39.524.290	79.526.720	40.813.041
Medyanet A.Ş.	4.795.126	2.698.555	4.072.043	2.197.090
Doğan TV Digital Platform İşletmeciliği A.Ş. ("Doğan TV Dijital")	2.297.630	991.846	3.328.509	1.021.695
Kanal D	1.748.440	1.170.320	994.745	442.836
Işıl Televizyon Yayıncılık A.Ş. ("Star TV")	469.887	334.489	909.117	411.275
Mozaik İletişim Hizmetleri A.Ş.("Mozaik")	423.178	144.365	2.453.798	1.028.649
Rapsodi Radyo ve Televizyon Yayınclık A.Ş. ("Rapsodi Radyo")	291.086	-	249.295	249.295
Lapis Televizyon ve Radyo Yayıncılık A.Ş. ("CNN Türk")	57.539	57.539	324.571	324.571
Hürriyet	42.658	41.430	111.473	111.473
Petrol Ofisi A.Ş.	-	-	680.925	186.819
Other	1.455.468	596.646	1.230.860	443.139
Total	**94.307.542**	**45.559.480**	**93.882.056**	**47.229.883**

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

NOTE 28 - TRANSACTIONS AND BALANCES WITH RELATED PARTIES (Continued)

d) Service and product purchases from related parties:

	1 January - 30 June 2010	1 April - 30 June 2010	1 January - 30 June 2009	1 April - 30 June 2009
Işıl İthalat İhracat	27.644.133	14.934.743	39.748.974	18.296.761
Dış Ticaret	20.449.715	10.115.129	29.491.322	13.271.594
Hürriyet	16.892.700	8.709.543	16.315.882	7.839.637
Other	5.729.372	3.448.759	4.064.341	1.873.182
	70.715.920	**37.208.174**	**89.620.519**	**41.281.174**
Less: Unearned finance expense due to purchases with maturity	(320.908)	(234.607)	(382.371)	(198.604)
	70.395.012	**36.973.567**	**89.238.148**	**41.082.570**

e) Other significant transactions with related parties:

Other income/(expense), net

	1 January - 30 June 2010	1 April - 30 June 2010	1 January - 30 June 2009	1 April - 30 June 2009
Hürriyet (*)	5.095.000	5.095.000	-	-
Doğan TV Holding A.Ş. ("Doğan TV") (**)	1.296.064	642.697	-	-
Kanal D (**)	-	-	1.030.284	511.802
Other	9.436	4.786	28.841	24.491
	6.400.500	**5.742.483**	**1.059.125**	**536.293**

(*) TL5.095.000 of the additions is related to the sale of trademark and royalty of Radikal Gazetesi to Hürriyet Gazetecilik ve Matbaacılık A.Ş. Sales price is based on the report of independent valuer. Sales amount is recorded to "Other operating income" at consolidated statements of comprehensive income. The assignment of the personnel of Radikal Gazetesi and internet site will be completed at 30 September 2010. All liabilities of these personnel belongs to the Group until the date of transfer. Radikal Gazetesi and internet site will be broadcasted by the Group until the date of transfer.

(**) Rent income from Doğan TV Holding and Kanal D.

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

NOTE 28 - TRANSACTIONS AND BALANCES WITH RELATED PARTIES (Continued)

e) Other significant transactions with related parties (Continued):

Financial (expense)/income, net

	1 January - 30 June 2010	1 April - 30 June 2010	1 January - 30 June 2009	1 April - 30 June 2009
Doğan Faktoring	(326.434)	(134.487)	(275.359)	(202.433)
Kanal D	(312.757)	(29.061)	(277.165)	(149.258)
Işıl İthalat İhracat	(140.144)	-	(1.065.156)	(603.517)
Doğan Dış Ticaret	(120.393)	-	(208.598)	(80.751)
Hürriyet	(41.089)	-	(552.218)	(18.559)
Doğan Yayın Holding	(30.000)	(17.500)	(196.533)	-
Other	(7.777)	-	164.293	104.728
Financial expenses	**(978.594)**	**(181.048)**	**(2.410.736)**	**(949.790)**

General administrative, marketing, distribution and selling expenses

	1 January - 30 June 2010	1 April - 30 June 2010	1 January - 30 June 2009	1 April - 30 June 2009
Doğan Dağıtım	11.164.277	5.714.089	10.424.548	5.084.583
Kanal D	7.062.330	2.987.330	9.385.000	5.250.000
D Yapım Reklamcılık ve Dağıtım A.Ş.	1.631.295	682.241	924.589	579.150
Doğan Yayın Holding	825.936	428.779	789.687	402.738
Star TV	444.743	394.743	200.001	-
Hürriyet	132.161	76.348	166.278	103.968
Other	1.738.330	1.122.607	1.562.687	561.552
	22.999.072	**11.406.137**	**23.452.790**	**11.981.991**

Fixed asset sales to related parties

	1 January - 30 June 2010	1 April - 30 June 2010	1 January - 30 June 2009	1 April - 30 June 2009
Işıl İthalat İhracat	-	-	775.000	-

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

NOTE 28 - TRANSACTIONS AND BALANCES WITH RELATED PARTIES (Continued)

f) Remuneration paid to top management:

The Group defined its top management personnel as board of directors' members and executive board members. Remuneration of top management includes salaries, premiums, health insurance and transportation benefits.

	1 January - 30 June 2010	1 April - 30 June 2010	1 January - 30 June 2009	1 April - 30 June 2009
Executive Board	1.588.923	1.021.960	1.182.502	617.905
Board of Directors	506.177	267.462	503.009	256.820
	2.095.100	**1.289.422**	**1.685.511**	**874.725**

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

NOTE 29 - FINANCIAL RISK MANAGEMENT

Financial risk management

The Group's activities expose it to a variety of financial risks, these risks are market risk including the effects of changes in debt and equity market prices, foreign currency exchange rates, fair value interest rate risk and cash flow interest rate risk, credit risk, and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance of the Group.

Financial risk management is carried out by individual subsidiaries under policies, which are approved by their Board of Directors within the limits of general principles, set by the Company.

Market risk

Interest rate risk

The Group is exposed to interest rate risk through the impact of rate changes on interest bearing liabilities and assets. These exposures are managed using natural hedges that arise from offsetting interest rate sensitive assets and liabilities.

The Group's interest rate sensitive financial instruments are as follows:

Financial instruments with fixed interest rate	**30 June 2010**	**31 December 2009**
Fixed interest rate financial instruments	2.439.940	249.628
- Designated as fair value through profit or loss (*)	*2.439.940*	*249.628*
- Financial assets available for sale	-	-
Financial liabilities	978.917	11.014.628

Financial instruments with floating interest rate	**30 June 2010**	**31 December 2009**
Financial assets	-	-
Financial liabilities	23.000.000	9.000.000

(*) Financial assets designated as fair value through profit or loss consists of fixed interest rate time deposits with maturity less than three months.

The Group has borrowing with a floating interest rate amounting to TL 23.000.000 as of 30 June 2010 (31 December 2009: TL 9.000.000).

Foreign currency risk

	30 June 2010	**31 December 2009**
Assets	437.610	421.702
Liabilities	(15.205.617)	(12.970.076)
Net foreign currency position	**(14.768.007)**	**(12.548.374)**

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

NOTE 29 - FINANCIAL RISK MANAGEMENT (Continued)

30 June 2010	TL Equivalent	US Dollar	Euro	Other
1. Trade Receivables	325.301	-	325.301	-
2a. Monetary Financial Assets (Cash, Banks included)	112.309	69.114	38.297	4.898
2b. Non-Monetary Financial Assets	-	-	-	-
3. Other	-	-	-	-
4. Current Assets (1+2+3)	**437.610**	**69.114**	**363.598**	**4.898**
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)	**437.610**	**69.114**	**363.598**	**4.898**
10. Trade Payables	15.205.617	15.205.617	-	-
11. Financial Liabilities	-	-	-	-
12a. Other Monetary Financial Liabilities	-	-	-	-
12b. Other Non-Monetary Financial Liabilities	-	-	-	-
13. Current Liabilities (10+11+12)	**15.205.617**	**15.205.617**	-	-
14. Trade Payables	-	-	-	-
15. Financial Liabilities	-	-	-	-
16a. Other Monetary Financial Liabilities	-	-	-	-
16b. Other Non-Monetary Financial Liabilities	-	-	-	-
17. Non-current Liabilities (14+15+16)	-	-	-	-
18. Total Liabilities (13+17)	**15.205.617**	**15.205.617**	-	-
19. Net asset / liability position of Off-balance sheet derivatives (19a-19b)	-	-	-	-
19.a Off-balance sheet foreign currency derivative assets	-	-	-	-
19b. Off-balance sheet foreign currency derivative liabilities	-	-	-	-
20. Net foreign currency asset liability position (9-18+19)	**(14.768.007)**	**(15.136.503)**	**363.598**	**4.898**
21. Net foreign currency asset / liability position of monetary items (1+2a+5+6a-10-11-12a-14-15-16a)	**(14.768.007)**	**(15.136.503)**	**363.598**	**4.898**
22. Fair value of foreign currency hedged financial assets	-	-	-	-
23. Exports	-	-	-	-
24. Imports	-	-	-	-

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

NOTE 29 - FINANCIAL RISK MANAGEMENT (Continued)

31 December 2009	TL Equivalent	US Dollar	Euro	Other
1. Trade Receivables	330.186	-	330.186	-
2a. Monetary Financial Assets (Cash, Banks included)	91.516	49.288	33.820	8.408
2b. Non-Monetary Financial Assets	-	-	-	-
3. Other	-	-	-	-
4. Current Assets (1+2+3)	**421.702**	**49.288**	**364.006**	**8.408**
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)	**421.702**	**49.288**	**364.006**	**8.408**
10. Trade Payables	12.970.076	12.970.076	-	-
11. Financial Liabilities	-	-	-	-
12a. Other Monetary Financial Liabilities	-	-	-	-
12b. Other Non-Monetary Financial Liabilities	-	-	-	-
13. Current Liabilities (10+11+12)	**12.970.076**	**12.970.076**	-	-
14. Trade Payables	-	-	-	-
15. Financial Liabilities	-	-	-	-
16a. Other Monetary Financial Liabilities	-	-	-	-
16b. Other Non-Monetary Financial Liabilities	-	-	-	-
17. Non-current Liabilities (14+15+16)	-	-	-	-
18. Total Liabilities (13+17)	**12.970.076**	**12.970.076**	-	-
19. Net asset / liability position of Off-balance sheet derivatives (19a-19b)	-	-	-	-
19.a Off-balance sheet foreign currency derivative assets	-	-	-	-
19b. Off-balance sheet foreign currency derivative liabilities	-	-	-	-
20. Net foreign currency asset liability position (9-18+19)	**(12.548.374)**	**(12.920.788)**	**364.006**	**8.408**
21. Net foreign currency asset / liability position of monetary items (1+2a+5+6a-10-11-12a-14-15-16a)	**(12.548.374)**	**(12.920.788)**	**364.006**	**8.408**
22. Fair value of foreign currency hedged financial assets	-	-	-	-
23. Exports	-	-	-	-
24. Imports	-	-	-	-

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

NOTE 29 - FINANCIAL RISK MANAGEMENT (Continued)

Group is exposed to US Dollar, mainly. The analysis of sensitivity to foreign currency is as follows:

	Income/Loss	
30 June 2010	**Foreign currency appreciates**	**Foreign currency depreciates**
If the US dollar had changed by 10% against the TL		
USD net (liabilities)/assets		
Hedging amount of USD	(1.513.650)	1.513.650
USD net effect on (loss)/income	**(1.513.650)**	**1.513.650**

	Income/Loss	
31 December 2009	**Foreign currency appreciates**	**Foreign currency depreciates**
If the US dollar had changed by 10% against the TL		
USD net (liabilities)/assets		
Hedging amount of USD	(1.292.079)	1.292.079
USD net effect on (loss)/income	**(1.292.079)**	**1.292.079**

Credit risk

Ownership of financial assets involves the risk that counterparties may be unable to meet the terms of their agreements. These risks are monitored by credit ratings and by limiting the aggregate risk to any individual counterparty. The credit risk is generally highly diversified due to the large number of entities comprising the customer bases and their dispersion across many different industries.

The maximum exposure of the Group to credit risk as of 30 June 2010 and 31 December 2009 is as follows:

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

NOTE 29 - FINANCIAL RISK MANAGEMENT (Continued)

	Trade receivables		Other receivables		Cash and	Financial	
30 June 2010	**Related Party**	**Other**	**Related Party**	**Other**	**cash equivalents**	**assets**	**Other**
Maximum credit risk exposure as of balance sheet date	17.754.584	73.280.257	-	112.464	5.855.391	-	-
- Collateralized or secured with guarantees part of maximum credit risk	-	*10.918.711*	-	-	-	-	-
A. Neither past due nor impaired	9.396.285	52.977.177	-	112.464	5.855.391	-	-
B. Restructured otherwise accepted as past due and impaired	-	-	-	-	-	-	-
C. Past due but not impaired	8.358.299	20.303.080	-	-	-	-	-
- Guaranteed amount by commitment	-	*7.550.340*	-	-	-	-	-
D. Impaired asset net book value	-	-	-	-	-	-	-
- Past due (gross amount)	-	18.217.233	-	-	-	-	-
- Impairment (-)	-	(18.217.233)	-	-	-	-	-
- Net value collateralized or guaranteed part of net value	-	-	-	-	-	-	-
- Not over due (gross amount)	-	-	-	-	-	-	-
- Impairment (-)	-	-	-	-	-	-	-
- Net value collateralized or guaranteed part of net value	-	-	-	-	-	-	-
E. Off-balance sheet items bearing credit risk	-	-	-	-	-	-	-

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

NOTE 29 - FINANCIAL RISK MANAGEMENT (Continued)

	Trade receivables		Other receivables		Cash and	Financial	
31 December 2009	**Related Party**	**Other**	**Related Party**	**Other**	**cash equivalents**	**assets**	**Other**
Maximum credit risk exposure as of balance sheet date	18.005.852	58.785.253	-	62.637	1.147.673	-	-
- Collateralized or secured with guarantees Part of maximum credit risk	-	*11.424.741*	-	-	-	-	-
A. Neither past due nor impaired	9.820.385	38.020.074	-	62.6371.147.673	-	-	
B. Restructured otherwise accepted as past due and impaired	-	-	-	-	-	-	-
C. Past due but not impaired	8.185.467	20.765.179	-	-	-	-	-
- Guaranteed amount by commitment	-	*8.836.759*	-	-	-	-	-
D. Impaired asset net book value	-	-	-	-	-	-	-
- Past due (gross amount)	-	15.649.595	-	-	-	-	-
- Impairment (-)	-	(15.649.595)	-	-	-	-	-
- Net value collateralized or guaranteed part of net value	-	-	-	-	-	-	-
- Not over due (gross amount)	-	-	-	-	-	-	-
- Impairment (-)	-	-	-	-	-	-	-
- Net value collateralized or guaranteed part of net value	-	-	-	-	-	-	-
E. Off-balance sheet items bearing credit risk	-	-	-	-	-	-	-

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

NOTE 29 - FINANCIAL RISK MANAGEMENT (Continued)

The ageing schedule of receivables that are overdue but not impaired is as follows:

30 June 2010	Trade receivables Related party	Trade receivables Other	Bank deposits	Financial instruments	Other
Up to 1 month	1.619.037	10.624.432	-	-	-
1 to 3 months	1.203.981	4.737.648	-	-	-
3 to 12 months	5.119.190	3.803.972	-	-	-
More than 1 year	416.091	1.137.028	-	-	-
Total	**8.358.299**	**20.303.080**	-	-	-
Guaranteed amount	-	*7.550.340*	-	-	-

31 December 2009	Trade receivables Related party	Trade receivables Other	Bank deposits	Financial instruments	Other
Up to 1 month	1.059.427	9.664.935	-	-	-
1 to 3 months	1.427.515	5.286.974	-	-	-
3 to 12 months	2.677.146	4.573.862	-	-	-
More than 1 year	3.021.379	1.239.408	-	-	-
Total	**8.185.467**	**20.765.179**	-	-	-
Guaranteed amount	-	*8.836.759*	-	-	-

The credit quality of trade receivables which is impaired is as follows:

31 June 2010	Trade receivables Related party	Trade receivables Other	Bank deposits	Financial instruments	Other
Up to 3 months	-	-	-	-	-
3 to 12 months	-	28.741	-	-	-
1 to 5 years	-	18.188.492	-	-	-
Less: provision for doubtful receivables	-	(18.217.233)	-	-	-
Total	-	-	-	-	-

NOTE 29 - FINANCIAL RISK MANAGEMENT (Continued)

	Trade receivables		Bank	Financial	
31 December 2009	**Related party**	**Other**	**deposits**	**instruments**	**Other**
Up to 3 months	-	1.742	-	-	-
3 to 12 months	-	46.913	-	-	-
1 to 5 years	-	15.600.940	-	-	-
Less: provision for doubtful receivables	-	(15.649.595)	-	-	-
Total	-	-	-	-	-

Liquidity risk

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

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

NOTE 29 - FINANCIAL RISK MANAGEMENT (Continued)

According to agreement maturities, undiscounted cash flows of financial liabilities as of 30 June 2010 and 31 December 2009 are as follows:

30 June 2010	Book value	Contractual cash flow	Up to 3 months	3-12 months	1-5 years	Over 5 years
Financial liabilities excluding derivatives						
Financial liabilities	23.978.917	24.025.672	23.933.797	91.875	-	-
Due to related parties (*)	45.550.966	34.280.029	34.280.029	-	-	-
Other trade payables (**)	13.965.310	11.783.203	11.783.203	-	-	-
Other payables	6.792.922	6.792.922	6.792.922	-	-	-

31 December 2009	Book value	Contractual cash flow	Up to 3 months	3-12 months	1-5 years	Over 5 years
Financial liabilities excluding derivatives						
Financial liabilities	20.014.628	20.554.633	14.840.907	5.713.726	-	-
Due to related parties (*)	44.345.559	35.027.306	35.027.306	-	-	-
Other trade payables (**)	8.659.476	7.161.317	7.161.317	-	-	-
Other payables	6.097.490	6.097.490	6.097.490	-	-	-

(*) Barter related liabilities amounting to TL11.270.937 (31 December 2009: TL9.437.489) are not included in the total cash outflow.

(**) Barter related liabilities amounting to TL2.182.107 (31 December 2009: TL1.498.159) are not included in the total cash outflow.

NOTE 29 - FINANCIAL RISK MANAGEMENT (Continued)

Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to recapitalise or maintain the current capital structure, the Group can change dividend payment amount, announce new shares and in order to decrease borrowings the Group can sell assets.

The Group monitors capital using liability/capital ratio which is calculated by dividing net liability to total capital. Net liability amount is obtained from the deducting cash and cash equivalents from the total liability (includes financial liabilities, trade payables and payables due to related parties as stated in balance sheet). Total capital is the sum of equity and net liabilities as also stated in balance sheet.

NOTE 30 - FINANCIAL INSTRUMENTS

Fair value of financial instruments

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

The estimated fair values of financial instruments have been determined by the Group using available market information 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 realise in a current market exchange.

The following methods and assumptions were used to estimate the fair value of the financial instruments for which it is practicable to estimate fair value:

Financial assets:

The fair values of balances denominated in foreign currencies, which are translated at year-end exchange rates, are considered to approximate carrying value.

The fair values of certain financial assets carried at cost, including cash and amounts due from banks are considered to approximate their respective carrying values due to their short-term nature.

The carrying values of trade receivables along with the related allowances for uncollectibility are estimated to be their fair values.

Available for sale investments are calculated on data where there is no observable market data on the calculation of fair value of the asset.

NOTE 30 - FINANCIAL INSTRUMENTS (Continued)

Financial liabilities:

Trading liabilities have been estimated at their fair values.

The fair values of short-term bank borrowings and other monetary liabilities are considered to approximate their respective carrying values due to their short-term nature.

Long-term borrowings, which are denominated in foreign currencies, are translated at period-end exchange rates and accordingly their carrying amounts approximate their fair values.

NOTE 32- SUBSEQUENT EVENT

Consolidated financial statements as of 30 June 2010 have been approved by Board of Directors as of 23 August 2010.