AKSA AKRİLİK KİMYA SANAYİİ A.Ş.

Consolidated Financial Statements
for the six months period ended
30 June 2009
and
Independent Auditors' Review Report

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REPORT ON REVIEW OF
INTERIM CONSOLIDATED FINANCIAL STATEMENTS

To the Board of Directors and Shareholders
Aksa Akrilik Kimya Sanayii A.Ş.

Introduction

We have reviewed the accompanying consolidated statement of financial position of Aksa Akrilik Kimya Sanayii A.Ş. (the Parent Company) and its Subsidiaries as of 30 June 2009 and the related consolidated statements of comprehensive income, changes in equity and cash flows for the six months period then ended, and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and fair presentation of these interim consolidated financial statements in accordance with the Turkish International Accounting / Financial Reporting Standards (TAS / TFRS) which are issued by the Turkish Accounting Standards Board (TASB) and which are in compliance with the International Accounting / Financial Reporting Standards (IAS / IFRS). Our responsibility is to express a report on these interim consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with independent auditing standards issued by the Capital Markets Board. The review on interim financial statements consists of making inquiries, primarily of persons responsible for the financial reporting process, and applying analytical and other review procedures. A review is substantially less in scope than an independent audit performed within the frame of independent auditing standards 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 independent audit opinion as a result of our review.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim consolidated financial statements do not give a true and fair view of the financial position of Aksa Akrilik Kimya Sanayii A.Ş. (the Parent Company) and its Subsidiaries as of 30 June 2009, and of its consolidated financial performance and its consolidated cash flows for the six months period then ended in accordance with the TAS/TFRS issued by the TASB.

Explanatory Notes

As of 30 June 2009, the financial statements of the subsidiaries Fitco BV and Aksa Egypt Acrylic Fiber Industry S.A.E. in which the Parent Company has a direct 100% and an indirect 99,14 % interest, respectively, as well as the financial statements of Akgirişim Kimya ve Ticaret A.Ş. in which it has a direct 58% interest, do not materially affect the consolidated financial statements, hence the subsidiaries and the affiliates referred to above are stated in the accompanying consolidated financial statements at cost.

As stated in Note 16, the Parent Company has increased its issued capital from TL 110.000.000 to TL 185.000.000. Of the increased portion of TL 75.000.000, a total of TL 60.000.000 is provided from inflation adjustment differences and the balance of TL 15.000.000 is provided through addition of the first dividends allocated from 2008 profit to the share capital. Bonus shares are deposited to the shareholders' accounts as of 30 June 2009, and the capital increase is registered at 1 July 2009.

Istanbul,
27 August 2009

Denet Bağımsız Denetim
Yeminli Mali Müşavirlik A.Ş.
Member firm of BDO International

Ömür Günel
Partner in charge

AKSA AKRİLİK KİMYA SANAYİİ A.Ş.

Consolidated Statements of Financial Position
as of 30 Jun March 2009 and 31 December 2008
(TL)

	Notes	30 June 2009	31 December 2008
ASSETS			
Current Assets		557,257,319	609,076,143
Cash and Cash Equivalents	2.4	53,659,209	63,583,555
Trade Receivables			
- Other Trade Receivables	2.7	323,896,341	358,870,759
- Trade Receivables from Related Parties	2,7,25	12,164,801	25,227,694
Other Receivables	8	57,583,284	45,348,215
Inventories	2.9	69,394,424	98,778,945
Other Current Assets	15	40,559,260	17,266,975
Non-current Assets		593,114,349	519,407,632
Trade Receivables	2.7	13,256,723	12,665,408
Other Receivables	8	14,348	9,417
Financial Assets	2.5	7,999,781	7,999,781
Tangible Assets	2.10	527,618,688	454,539,216
Intangible Assets	2.11	9,296,632	3,025,618
Goodwill	2.12	5,988,651	5,988,651
Other Non-current Assets	15	28,939,526	35,179,541
TOTAL ASSETS		1,150,371,668	1,128,483,775

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

AKSA AKRİLİK KİMYA SANAYİİ A.Ş.

Consolidated Statements of Financial Position
as of 30 Jun March 2009 and 31 December 2008
(TL)

	Notes	30 June 2009	31 December 2008
LIABILITIES			
Current Liabilities		248,261,122	266,651,181
Financial Liabilities	2.6	90,125,673	118,482,414
Trade Payables			
- Other Trade Payables	2.7	88,427,123	94,170,237
- Trade Payables to Related Parties	2,7,25	19,506,563	16,946,866
Other Liabilities	8	4,683,182	3,293,370
Taxes on Profit for the Period	2,13,23	346,077	8,103,146
Debt Provisions	2.13	2,640,685	3,800,167
Other Current Liabilities	15	42,531,819	21,854,981
Non-Current Liabilities		170,905,853	148,622,441
Financial Liabilities	2.6	142,222,795	121,089,861
Provision related to Employee Benefits	2.14	9,413,372	9,354,382
Deferred Tax Liabilitiy	2.23	19,269,686	18,178,198
EQUITY		731,204,693	713,210,153
Parent Company Equity		717,559,037	698,351,826
Share Capital	16	185,000,000	110,000,000
Capital Adjustment Differences	16	195,174,673	255,174,673
Issue Premiums	16	43,606	43,606
Restricted Profit Reserves	16	45,866,210	42,776,591
Retained Earnings / (Accumulated Losses)	16	272,267,337	217,449,747
Net Profit/(Loss) For The Period		19,207,211	72,907,209
Non-Controlling Interest	2.16	13,645,656	14,858,327
TOTAL LIABILITIES AND EQUITY		1,150,371,668	1,128,483,775

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

AKSA AKRİLİK KİMYA SANAYİİ A.Ş.
Consolidated Statements of Comprehensive Income
for the six month periods ended 30 June 2009 and 2008
(TL)

	Notes	1 January 2009 - 30 June 2009	1 April 2009 - 30 June 2009	1 January 2008 - 30 June 2008	1 April 2008 - 30 June 2008
CONTINUING OPERATIONS					
Sales Income	17	388,040,929	226,169,251	468,639,204	245,021,299
Cost of Sales (-)	17	(319,806,897)	(176,454,736)	(424,487,672)	(220,713,619)
GROSS PROFIT / (LOSS)		68,234,032	49,714,515	44,151,532	24,307,680
Marketing, Sales and Distribution Expenses (-)	18	(4,622,604)	(2,727,953)	(902,432)	(453,023)
General Administration Expenses (-)	18	(17,560,712)	(9,111,188)	(18,279,076)	(8,877,789)
Research and Development Expenses (-)	18	(5,626,212)	(1,988,329)	(3,920,457)	(2,091,202)
Other Operating Income	20	7,601,189	2,593,351	7,168,263	5,205,388
Other Operating Expenses (-)	20	(20,440,596)	(9,651,453)	(2,427,806)	(1,102,213)
OPERATING PROFIT / (LOSS)		27,585,097	28,828,943	25,790,024	16,988,841
Financial Income	21	95,988,527	1,208,538	50,785,497	(746,707)
Financial Expenses (-)	22	(100,232,118)	(29,216,706)	(40,750,633)	(8,489,525)
CONTINUING OPERATIONS PROFIT/(LOSS) BEFORE TAX		23,341,506	820,775	35,824,888	7,752,609
Tax Income/(Expense) for the period	2,13,23	(2,767,828)	2,744,379	(7,034,743)	(929,380)
Deferred Tax Income/(Expense)	2.23	(1,091,488)	(2,065,445)	476,879	38,713
Continuing Operations Tax Income / (Expense)	2.23	(3,859,316)	678,934	(6,557,864)	(890,667)
CONTINUING OPERATIONS PROFIT/(LOSS) FOR THE PERIOD		19,482,190	1,499,709	29,267,024	6,861,942
PROFIT/(LOSS) FOR THE PERIOD		19,482,190	1,499,709	29,267,024	6,861,942
OTHER COMPREHENSIVE PROFIT/(LOSS)		-	-	-	-
TOTAL COMPREHENSIVE PROFIT/(LOSS)		19,482,190	1,499,709	29,267,024	6,861,942
Distribution of Profit/(Loss) for the Period					
Non-controlling Interest		274,979	521,236	1,089,182	445,826
Parent Company Shares		19,207,211	978,473	28,177,842	6,416,116
Distribution of Total Comprehensive Profit/(Loss)					
Non-controlling Interest		274,979	521,236	1,089,182	445,826
Parent Company Shares		19,207,211	978,473	28,177,842	6,416,116
Earnings/(Loss) per Share of the Parent Company	2.24	0.10	0.01	0.26	0.06
Earnings/(Loss) per Diluted Share of the Parent Company	2.24	0.10	0.01	0.15	0.03

AKSA AKRİLİK KİMYA SANAYİİ A.Ş.
Consolidated Statements of Changes in Equity
for the six month periods ended 30 June 2009 and 2008
(TL)

	Notes	Share Capital	Share Capital Inflation Adjustment Differences	Issue Premiums	Değer Artış Fonları	Restricted Profit Reserves	Retained Earnings/ (Accumulated Losses)	Net Profit/ (Loss) for the Period	Parent Company Equity	Non-controlling Interest	Total
Balance as at											
1 January 2008	16	110,000,000	255,174,673	43,606	-	16,579,576	238,916,635	4,730,127	625,444,617	15,755,617	641,200,234
Transfer	16	-	-	-	-	26,197,015	(21,466,888)	(4,730,127)	-	-	-
Dividend payment	16	-	-	-	-	-	-	-	-	(3,206,491)	(3,206,491)
Net profit for the period	24	-	-	-	-	-	-	28,177,842	28,177,842	1,089,182	29,267,024
Balance as at											
30 June 2008	16	110,000,000	255,174,673	43,606	-	42,776,591	217,449,747	28,177,842	653,622,459	13,638,308	667,260,767

	Notes	Share Capital	Share Capital Inflation Adjustment Differences	Issue Premiums	Değer Artış Fonları	Restricted Profit Reserves	Retained Earnings/ (Accumulated Losses)	Net Profit/ (Loss) for the Period	Parent Company Equity	Non-controlling Interest	Total
Balance as at											
1 January 2009		110,000,000	255,174,673	43,606	-	42,776,591	217,449,747	72,907,209	698,351,826	14,858,327	713,210,153
Capital increase	16	75,000,000	(60,000,000)	-		-	(15,000,000)	-	-	-	-
Transfer	16	-	-	-	-	-	72,907,209	(72,907,209)	-	-	-
Transfer to reserves	16	-	-	-		2,969,994	(2,969,994)	-	-	-	-
Dividend payment	16	-	-	-		-	-	-	-	(1,487,650)	(1,487,650)
Income on sale of affiliate		-	-	-		119,625	(119,625)	-	-	-	-
Net profit for the period	24	-	-	-	-	-	-	19,207,211	19,207,211	274,979	19,482,190
Balance as at											
30 June 2009		185,000,000	195,174,673	43,606	-	45,866,210	272,267,337	19,207,211	717,559,037	13,645,656	731,204,693

AKSA AKRİLİK KİMYA SANAYİİ A.Ş.
Consolidated Statements of Cash Flows
for the six month periods ended 30 June 2009 and 2008
(TL)

	Notes	30 June 2009	30 June 2008
A. CASH FLOWS FROM OPERATING ACTIVITIES			
Net profit (+) / loss (-) before tax		23,341,506	35,824,888
Adjustments:			
Depreciation (+)	3	22,354,819	16,765,369
Provision for employee benefits	14	286,688	211,477
Inventory provision	9	(2,698,447)	-
Debt provisions	13	(1,387,180)	(33,977)
Rediscount income, net	21.22	(594,108)	1,548,174
Provision for doubtful trade receivables, net		-	-
Income from marketable securities or long term investments (-)	21	(1,042,634)	(1,820,164)
(Profit) / loss on sales of fixed assets	20	982	(231,669)
Interest expense (+)		1,321,758	1,876,976
Income before working capital changes (+)		41,583,384	54,141,074
Increase (-) / decrease (+) in trade receivables	7	48,646,471	(62,130,653)
Increase (-) / decrease (+) in inventories	9	32,789,806	(6,422,243)
Increase (-) /decrease (+) in other receivables	8	(12,240,000)	(6,468,268)
Increase (-) / decrease (+) in other assets	15	(23,292,285)	(5,060,759)
Increase (+) / decrease (-) in trade payables	7	(3,789,784)	30,609,636
Increase (+) / decrease (-) in other payables	8	1,389,812	(444,831)
Increase (+) / decrease (-) in other liabilities	15	20,676,838	2,072,834
Interest payments (-)		(2,726,467)	(544,066)
Tax payments (-)	13	(10,524,897)	(6,485,966)
Net cash flows provided from/(used in) operating activities		92,512,878	(733,242)
B. CASH FLOWS FROM INVESTING ACTIVITIES			
Tangible asset acquisition (-)	10	(94,124,019)	(63,126,748)
Intangible asset acquisition (-)	11	(5,539,784)	(128,446)
Cash inflows from disposal of tangible and intangible assets(+)	10.11	305	832,898
Increase (-) / decrease (+) in other non-current assets	15	6,240,015	89,359
Collected interests (+)	21	1,042,634	1,820,164
Net cash flows provided from/(used in) investing activities		(92,380,849)	(60,512,773)
C. CASH FLOWS FROM FINANCING ACTIVITIES			
Cash inflows / (outflows) related to short and long term liabilities	6	(8,568,725)	22,530,372
Effect of change in non-controlling interest		(1,487,650)	(3,206,491)
Net cash flows provided from/(used in) financing activities		(10,056,375)	19,323,881
Increase/(decrease) in cash and cash equivalents		(9,924,346)	(41,922,134)
Cash and cash equivalents at the beginning of the period	2.4	63,583,555	59,673,800
Cash and cash equivalents at the end of the period	2.4	53,659,209	17,751,666

1. Organization and Principal Activities

Aksa Akrilik Kimya Sanayii A.Ş. (the Parent Company) is a company incorporated in Istanbul whose principal activities are the production of acrylic based tow, fiber and tops. Its subsidiaries mainly operate in textiles, chemistry, investment, and service sectors. The Parent Company's subsidiaries comprise of the following companies:

Parent Company:	Sector
Aksa Akrilik Kimya Sanayii A.Ş. - Turkey	Chemistry
Subsidiaries:	
Ak-Pa Tekstil İhracat Pazarlama A.Ş. – Turkey *	Marketing
Ak-Tops Tekstil Sanayi A.Ş. – Turkey *	Textile
Fitco BV – the Netherlands **	Investment
Aksa Egypt Acrylic Fiber Industry SAE – Egypt **	Textile
Akgirişim Kimya ve Ticaret A.Ş. - Turkey **	Chemistry

* Included in the consolidated financial statements in accordance with the full consolidation method.

** Stated in the consolidated financial statements at cost.

Aksa Egypt Acrylic Fiber Industry SAE is an indirect subsidiary of the Parent Company in which Fitco BV, Ak-Pa Tekstil İhracat Pazarlama A.Ş., and Ak-Tops Tekstil Sanayi A.Ş. have interests of 99%, 0,5%, and 0,5%, respectively.

The address of the Parent Company's head office is as follows:
Miralay Şefik Bey Sok. No: 15 Akhan 34437 Gümüşsuyu / Istanbul – Turkey

The Parent Company is registered at the Capital Markets Board and 37,83 % of its shares are traded at the Istanbul Stock Exchange (ISE).

As of 30 June 2009 and 31 December 2008, the shareholding structure of the Parent Company is as follows:

Name	30 June 2009 Shareholding	31 December 2008 Shareholding
Akkök Sanayi Yatırım ve Geliştirme A.Ş.	39,58 %	39,58 %
Emniyet Tic. ve San. A.Ş.	18,72 %	18,72 %
Oppenheimer Quest International Value Fund	9,97 %	10,53 %
Other*	31,73 %	31,17 %
	100,00 %	100,00 %

* Represents shareholdings of less than 5%.

As of 30 June 2009, the average number of employees is 951 (31 December 2008 – 902).

2. Presentation of the Financial Statements

i. Basis of Presentation:

The Parent Company and its subsidiaries maintain their books of account and prepare their statutory financial statements in accordance with the prevailing commercial and financial legislation. The accompanying financial statements are prepared in accordance with the Capital Markets Board (CMB) Communiqué Nr. XI/29 "Communiqué Related to the Financial Reporting Principles at the Capital Markets". This Communiqué has come into force starting with the first interim financial statements subsequent to 1 January 2008 and bears in its Article 5 the provision stating that the enterprises subject to CMB apply the International Accounting / Financial Reporting Standards as accepted by the European Union (EU) which is compliant with the Turkish Accounting / Financial Reporting Standards (TAS/TFRS), issued by the Turkish Accounting Standards Board (TASB). Furthermore, in the provisional Article 2 of the same Communiqué it is stated that the IAS/IFRS are to be applied until the differences between the IAS/IFRS accepted by the European Union and those issued by the International Accounting Standards Board (IASB) are published by the TASB and as a consequence of this, it is promulgated that TAS/TFRS which are in compliance with IFRS will be the basis of all financial statements.

However, the Turkish Accounting Standards Board ("TASB") has not issued the differences between the IAS/IFRS that are accepted by the EU and the actual IAS/IFRS issued by the International Accounting Standards Board ("IASB") yet; and therefore the accompanying financial statements are prepared in accordance with the IAS/IFRS based on the TAS/TFRS issued by the TASB which comply with these standards. As required by TFRS 1, comparative financial statements are prepared on the same basis. As stated below, certain adjustments and classifications have been made during the preparation of the accompanying financial statements in order to comply with the TAS/TFRS.

The accompanying consolidated financial statements and explanatory notes are presented in accordance with the mandatory formats and principles announced by CMB in its Weekly Bulletin dated 14-18 April 2008 Nr. 2008/16. In line with the revisions in TAS1 which is valid for the financial periods starting on or subsequent to 1 January 2009, balance sheet is presented under the name of statement of financial position, and the profit/loss sections are presented under a single statement of comprehensive income.

As per the resolution of the Council of Ministers dated 4 April 2007 nr. 2007/11963, the word "New" in the "New Turkish Lira" and in the "New Kuruş" have been cancelled with effect from 1 January 2009. Accordingly, TRY 1 (New Turkish Lira) will be equal to TL 1 (Turkish Lira).

The functional currency used by the Parent Company and its subsidiaries is Turkish Lira (TL) and the accompanying financial statements and related notes are presented in TL.

The Parent Company's financial statements prepared at 30 June 2009 in accordance with the Communiqué XI/29 are approved at 27 August 2009 by the Company management to be submitted to the Board of Directors.

The Board of Directors and the CMB have the right to amend the interim financial statements, and the General Assembly and the CMB retain the right to amend the annual financial statements.

2. Presentation of the Financial Statements (continued)

ii. Adjustment of Financial Statements During Hyper-Inflationary Periods:

TAS 29 deals with the effects of inflation on financial statements and requires that financial statements prepared in the currency of a high inflation economy be stated in terms of the measuring unit current at the balance sheet date and that corresponding figures for previous periods be restated in the same terms. As per the resolution of the CMB dated 17 March 2005 Nr 11/367 the application of inflation adjustment of the financial statements has ended in 2005, hence the financial statements are restated at the purchasing value of the Turkish Lira as at 31 December 2004. Additions to non-monetary items subsequent to 1 January 2005 are stated at their nominal values.

iii. Consolidation Principles:

Consolidation is realized within the Parent Company, Aksa Akrilik Kimya Sanayii A.Ş. and the direct and indirect shareholdings of the Parent Company within its subsidiaries are as follows :

Subsidiaries	30 June 2009	31 December 2008
Ak-Pa Tekstil İhracat Pazarlama A.Ş. (1)	13,47 %	13,47 %
Ak-Tops Tekstil San. A.Ş. (1)	60,00 %	60,00 %
Fitco BV (2)	100,00 %	100,00 %
Aksa Egypt Acrylic Fiber Industry SAE (2)(3)	99,14 %	99,14 %
Akgirişim Kimya ve Ticaret A.Ş. (2)	58,00 %	58,00 %

(1) Stated in the accompanying consolidated financial statements as per the full consolidation method.

(2) Stated in the accompanying consolidated financial statements at cost due to its immaterial effect.

(3) Indirect subsidiary.

Affiliates	30 June 2009	31 December 2008
Ak-Han Bakım Yönt. Serv. Hizm. Güven. Malz. A.Ş. *	-	-

* Sold on 16 July 2008. As it has immaterial effect on the consolidated financial statements as of 30 June 2008 and 31 December 2007, it is stated in the said financial statements at cost.

2. Presentation of the Financial Statements (continued)

iii. Consolidation Principles (continued):

Subsidiaries and affiliates are classified as financial assets available for sale representing shareholdings in which the direct and indirect votes of the Parent Company is below 20% or with insignificant influence even if above 20%, or those that do not have material effect on financial statements, or are not traded in the active markets or whose fair values cannot be determined reliably, are recognised at their restated cost values, less provision for value decrease, if any.

Consolidated financial statements have been prepared on the basis of principles stated below:

Full Consolidation Method :

- All balance sheet items except for the paid in capital of the Parent Company and its subsidiaries and their equities at the acquisition date are added, and inter-company balances are eliminated.

- The Parent Company's interest in the subsidiaries is set off against the Long Term Financial Assets account of the Parent Company and the Share Capital accounts of the Subsidiaries.

- As of the acquisition date, the Parent Company's shareholding in its subsidiaries is offset against the portion of share capital it owns in the subsidiary's equity for one time only. The equity of the subsidiary at the acquisition date should be drawn up according to the market value of the subsidiary's net assets at that date. The difference that appears in favor of the recorded value is recognized as positive goodwill in the consolidated balance sheet as a separate item and that which appears against the recorded value is recognized as negative goodwill in the statement of income. The Parent Company has taken over at a total price of TL 16.250.000,00 the participation shares of TL 1.000.000 nominal value representing 50% of the share capital of Aktops Tekstil Sanayi A.Ş., a company under the ownership of Akkök Sanayi Yatırım ve Geliştirme A.Ş., with a share capital of TL 2.000.000 which is directly related to the Parent Company's principal activities and which makes exclusive custom manufacturing for the Parent Company and whose share transfer fee has been determined by the Valuation Report submitted by İş Yatırım Menkul Değerler A.Ş. as of 8 June 2007.

- As the cost of acquired subsidiary is higher than the value of shares stated among equities in the balance sheets prepared in accordance with TAS/TFRS at the acquisition dates of the subsidiaries, a total positive goodwill of TL 5.988.651 has been created (Note 12). In the event of any value decrease related to the goodwill amount, it is reflected to the statement of income. A value decrease test is performed at the same date of each year in order to determine if there is any value decrease in the goodwill.

2. Presentation of the Financial Statements (continued)

iii. Consolidation Principles (continued):

Full Consolidation Method (continued):

- Minority interests are deducted from all equity account group items including the paid in/issued share capital of subsidiaries included in the consolidation and are recognized as “Non-controlling interests” in the consolidated balance sheet and in the statement of income, as an item separated from the Parent Company’s equity share.

- The purchase and sales among the Parent Company and its subsidiaries and the profit and losses arising from these transactions are eliminated in the consolidated statement of income. Profit and losses arising from the purchase or sale of marketable securities, inventories, tangible and intangible assets, long term financial assets and other assets among the consolidated group companies are also eliminated.

iv. Adjustments:

The accompanying consolidated financial statements have been prepared in accordance with the TAS/TFRS with the below mentioned adjustments which are not stated in the statutory records:

- Rediscount calculation on post-dated cheques, notes receivable, customers, notes payable, suppliers, and loans
- Depreciation adjustment
- Deferred tax adjustment
- Inventory provision adjustment
- Provision for litigation
- Provision for termination indemnity and unused leaves
- Adjustment related to derivative financial instruments
- Adjustments related to cash and cash equivalents
- Expense accrual adjustment
- Elimination of inter-group balances and transactions as per the consolidation procedure

v. Comparative Information and Adjustment of Prior Period Financial Statements:

Consolidated statements of financial position as of 30 June 2009 and 31 December 2008 and notes to these statements as well as the consolidated statements of comprehensive income, changes in equity, and cash flows for the six month periods ended 30 June 2009 and 2008 have been presented comparatively. The below mentioned investment sales should be taken into consideration in the valuation of the said comparative consolidated financial statements. In order to comply with the presentation of the current period financial statements, the comparative information is reclassified when deemed necessary.

2. Presentation of the Financial Statements (continued)

vi. Offsetting:

Offsetting financial assets and liabilities can only be made under the conditions where the offsetting transaction is legally allowed and the company has an intention in this respect or where the acquisition of assets and fulfillment of liabilities are realized simultaneously.

vii. Accounting Policies, Changes and Errors in Accounting Estimates:

The accounting policies applied by the Company are consistent with those applied in the prior year. Significant changes in accounting policies are applied and significant errors are treated, retrospectively, and the prior year financials are restated. Changes in accounting policies are applied in the period of the change if they are related to the one period only; however, if they are related to the future periods, they are applied both in the period of change and the future period, prospectively.

viii. The New and Revised Turkish Accounting / Financial Reporting Standards:

During the current period, TASB has issued the new and revised standards with effect from 1 January 2009 and the Parent Company and its subsidiaries have applied those that relate to their own field of activity.

The standards, changes and comments effective in 2009 that are not applied by the Parent Company and its subsidiaries as they have no relation with the Company operations:

The standards listed below and the changes and comments introduced to the prior standards have been enforced for the financial periods starting at or subsequent to 1 January 2009. However, such standards, changes and comments are not related to the operations of the Parent Company and its subsidiaries; hence, they are not applied.

- TFRS 2 – “Share Based Payments”
- TAS 20 – “Accounting for Government Grants and Disclosure of Government Assistance– Government Loans with a below-market rate of interest”

Standards which are expected to come into effect, standards which are not deemed necessary to be applied earlier than the required time, and changes and comments introduced to existing standards.

The following standards, changes and comments introduced to standards have been issued to come into force subsequent to the period ended 1 July 2009 and earlier implementation is allowed. However, the Parent Company and its subsidiaries have preferred not to realize early application of the said standards and comments.

2. Presentation of the Financial Statements (continued)

viii. The New and Revised Turkish Accounting / Financial Reporting Standards: (continued):

TFRS 1	First-time Adoption of Turkish Financial Reporting Standards —Revision on accounting in the event of the loss of control over a subsidiary at the first-time adoption of Turkish Financial Reporting Standards	Valid for the financial periods starting at or subsequent to 1 July 2009
TFRS 3	Business Combinations —Comprehensive Revision in the Application of Acquisition Method	Valid for the financial periods starting at or subsequent to 1 July 2009
TFRS 5	Non-current Assets Held for Sale and Discontinued Operations —Sale plan involving control of a subsidiary	Valid for the financial periods starting at or subsequent to 1 July 2009
TAS 27	Consolidated and Separate Financial Statements, —Revision in the accounting for rights with no control and for the loss of control of a subsidiary	Valid for the financial periods starting at or subsequent to 1 July 2009
TAS 28	Investments in Associates —Revision in accounting for investments	Valid for the financial periods starting at or subsequent to 1 July 2009
TAS 31	Interests in Joint Ventures — Interests in Joint Ventures- Comprehensive Change in Implementation of Purchasing Procedure	Valid for the financial periods starting at or subsequent to 1 July 2009

	TFRS COMMENTS	
TFRS Comment 17	Distribution of Non-cash Assets to Owners	Valid for the financial periods starting at or subsequent to 1 July 2009
TFRS Comment 9 TAS 39	Embedded Derivatives	Valid for the financial periods starting at or subsequent to 1 July 2009

The managements of the Parent Company and its subsidiaries are in the opinion that the implementation of the above mentioned standards and comments will not have significant impact on the future financial statements of the Parent Company and its subsidiaries.

2. Presentation of the Financial Statements (continued)

ix. Significant Accounting Policies and Valuation Procedures Applied:

(a) Financial Instruments:

Financial instruments consist of the financial assets and liabilities stated below:

i. Cash and Cash Equivalents

Cash and cash equivalents consist of cash balances on hand, bank accounts, and cheques received.

Cash is composed of Turkish Lira and foreign currency balances. The Turkish Lira balances are stated at face values, and the foreign currency balances are translated into Turkish Lira at the foreign exchange rate issued by the Central Bank at the end of the reporting period.

Bank accounts consist of demand and time deposit accounts and the related interest accrued. Turkish Lira deposit accounts are stated at cost and foreign currency accounts are translated into Turkish Lira at the foreign currency rate issued by the Central Bank at the end of the reporting period.

The cheques received with maturity dates exceeding the balance sheet date are stated in trade receivables and are rediscounted at a rate equivalent to the interest rate of government bonds constituted in stock markets or other organized markets.

Fair Value

As the foreign currency cash and cash equivalents are translated into Turkish Lira at the foreign exchange rates valid at the balance sheet date, it is assumed that the fair values of these assets approximate to their book values.

As the deposit accounts, cash and cheques received are converted into cash in very short terms, and as there is no risk of value decrease, their book values are deemed to approximate to their fair values.

ii. Trade Receivables

Trade receivables are financial assets created by the Parent Company and its subsidiaries through selling goods and services directly to the customers. Trade receivables and post dated cheques are subject to rediscount.

Fair Value

Discounted trade receivables for which provisions are accrued are assumed to approximate to the fair values of these assets.

2. Presentation of the Financial Statements (continued)

ix. Significant Accounting Policies and Valuation Procedures Applied (continued):

(a) Financial Instruments (continued):

iii. Related Parties

A party is related to an entity if the party is a legal body or a real person which directly or indirectly controls, is controlled by, or is under common control with the entity, has an interest in the entity that gives it significant influence over the entity, and if the party is a subsidiary, an affiliate or a joint venture in which the entity is a venturer. Furthermore, members of the key management personnel of the entity, close members of the family of any individual referred to above, and parties representing post-employment benefit plan for the benefit of employees of the entity are also defined as related parties.

iv. Trade Payables

Trade payables are financial liabilities created through acquiring goods and services directly from the suppliers.

Fair Value

The discounted value of trade payables are assumed to approximate to their fair values.

v. Short and Long Term Bank Loans

Short and long term bank loans are stated at the value computed through addition of the principal amount and the interest expenses accrued as of the balance sheet date, discounted as per the effective interest method.

Fair Value

The fair value of the short and long term bank loans is assumed to be equivalent to the recorded values computed by adding the accrued interest liabilities calculated over the effective interest rate as of the balance sheet dates on the cost of the mentioned financial debts.

vi. Financial Derivative Instruments

The Parent Company enters into forward contracts and realizes interest rate swap operations with the objective to hedge against interest risk and foreign currency risk arising from its operational and financial activities. The current value of outstanding contracts is calculated by using internal pricing models and the unrealized foreign exchange gains/losses are recognized in the statement of comprehensive income.

2. Presentation of the Financial Statements (continued)

ix. Significant Accounting Policies and Valuation Procedures Applied (continued):

(b) Inventories:

Inventories are stated at the lower of cost or net realisable value. Cost is determined by weighted average cost method.

Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Cost is determined by using the weighted average cost method covering a reasonable portion of raw material, supplies, labor and general administration expenses.

(c) Financial Investments :

The Parent Company has classified its financial investments as financial assets available for sale.

Financial assets available for sale consist of financial investments other than operating loans and receivables, and financial assets held until maturity and for trading purposes. Financial assets available for sale are valued at their fair value in the period following the initial recording. Financial assets available for sale in which the direct and indirect votes of the Parent Company is below 20% or with insignificant influence even if above 20%, or those that do not have material effect on financial statements, or are not traded in the active markets or whose fair values cannot be determined reliably, are recognised at their cost values, less provision for value decrease, if any. Financial investments do not have a market value and are recognized at their unit values restated as of 31 December 2004, less provision for value decrease, if any. Furthermore, the financial assets available for sale whose market values are quoted at active markets and can be determined reliably are recognized at their fair values.

(d) Tangible Assets:

Tangible assets are stated at cost less their accumulated depreciation and impairment loss, if any.

Tangible assets have been restated using the measuring unit current at 31 December 2004 from the dates of acquisition. Additions made subsequent to 1 January 2005 are stated at their nominal values. Depreciation of tangible assets is made over the inflation-adjusted amounts and that for the acquisitions subsequent to 1 January 2005 at their nominal values, on a straight-line basis based on the estimated useful lives of these assets.

2. Presentation of the Financial Statements (continued)

ix. Significant Accounting Policies and Valuation Procedures Applied (continued):

(d) Tangible Assets (continued):

The depreciation periods which approximate to the economic useful lives of the assets are as follows:

Buildings	5-50 years
Land improvements	2-50 years
Machinery, plant and equipment	3-50 years
Motor vehicles	4- 8 years
Furniture and fixtures	2-50 years
Other tangible assets	5 years

(e) Intangible Assets:

Intangible assets are stated at cost less their accumulated amortisation and impairment loss, if any.

The acquisition values of intangible assets are considered in the restatement of intangible assets as at 31 December 2004. Additions made subsequent to 1 January 2005 are stated at their nominal values. Intangible assets are amortized over their inflation-adjusted values and the nominal values of additions subsequent to 1 January 2005, as per their useful lives stated below :

Rights	3-40 years
Intangible assets arising from development phase of an internal project	5 years
Special costs	1-5 years
Other intangible assets	3-5 years

(f) Intangible Assets Arising From Development Phase of an Internal Project :

Project costs related to new product development or testing and design of the newly developed products are recognized as intangible assets in the event that the project is successfully applied in terms of technology and trade and that the costs are determined reliably. Other development expenses and research expenses are recognized when they are realized. A development expense recognized in the prior period cannot be capitalized in the succeeding period.

The Parent Company deals with the production and trade of a carbon fiber project which is planned to be introduced to the market during the future periods. Intangible assets arising from the development phase of the said project are recognized under the Intangible Assets account group.

2. Presentation of the Financial Statements (continued)

ix. Significant Accounting Policies and Valuation Procedures Applied (continued):

(g) Assets and Liabilities in Foreign Currency:

Assets and liabilities in foreign currency are translated into Turkish Lira at foreign exchange rates announced by the Turkish Central Bank as at the balance sheet dates. Transactions in foreign currencies during the period are translated into Turkish Lira at the actual rates applicable on the transaction date. Exchange gains and losses resulting from such translations are included in the statements of comprehensive income.

(h) Impairment of Assets:

In case where the book value of an asset exceeds its recoverable value, a provision for impairment loss is made so as to bring the book value of the asset down to the level of its fair value and the provision is recorded in the statement of comprehensive income as expense.

On the other hand, the recoverable value of cash generating assets is the higher of net selling price and the value in use. The value in use of those assets represents the net present value of net cash inflows to be acquired through continuous usage and sales of the assets, discounted at the rate before tax that reflects future cash flow estimates, time value of money and specific risks of the asset.

(i) Deferred Taxes:

Deferred taxes are calculated on the temporary differences that arise between the deductible tax base and the book values of assets and liabilities, by using the liability method. The main temporary differences arise from the income and expense items recognised in different periods with respect to the TAS/TFRS and the tax legislation. While deferred tax liabilities are calculated for all taxable temporary differences, deferred tax assets consisting of deductible temporary differences are calculated with the assumption that the Parent Company and its subsidiaries will have taxable income during the future periods.

An enterprise should offset current tax assets and current tax liabilities if the enterprise has a legally enforceable right to set off the recognised amounts, provided that the tax assets and tax liabilities are subject to the tax legislation of the same jurisdiction.

(j) Income Taxes:

Under the Turkish Tax Code, a company that has its head office or place of business in Turkey is subject to a corporate tax.

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

2. Presentation of the Financial Statements (continued)

ix. Significant Accounting Policies and Valuation Procedures Applied (continued):

(j) Income Taxes (continued):

Corporate earnings are subject to corporation tax at a rate of 20%. In the presence of income exempt from Corporation Tax, no withholding calculation is required if such earnings are not distributed. Whether exempt or not, dividends paid in cash to real persons with full liability and real persons and entities with limited liability are subject to income tax withholding at a rate of 15%. No withholding tax is applicable in distribution of profits made through addition of current year and prior year profits (retained earnings) to the share capital. On the other hand, no withholding tax is applicable to entities with full liability in profit distributions.

Further, provisional corporation tax is paid at a rate of 20% on the profits declared for interim periods to be deducted from the corporation tax.

With respect to the article 298 (bis) of the Tax Law amended by Law 5024, the inflation adjustment application which started in 2004 has ended as the increase in the wholesale price indices for the last 36 months and the last 12 months ended March 2005 are below 100% and 10%, respectively. Also, in the 2009 and 2008 accounting periods, the criteria of 100% and 10% have not been realized simultaneously in the Producers Price Index and for that reason no inflation adjustment has been applied.

As of 30 June 2009 and 31 December 2008, income tax provisions have been made in accordance with the prevailing tax legislation

(k) Employee Benefits:

Under Turkish Labour Law Article 25/II, the Company is required to pay termination indemnities to each employee who completes one year of service and whose employment is terminated upon causes that qualify the employee to receive termination indemnity, is called up for military service, leaves within one year after marriage (women only), and to those employees who retire or die. The amount payable consists of one month's salary for each year of service. This entitlement is limited to TL 2.260,05 in respect of each year of service as of 30 June 2009 (31 December 2008– TL 2.173,19).

The Company has determined the termination indemnity liability stated in the accompanying financial statements as per the recognition and valuation principles stated in TAS 19 “Employee Benefits”. As the characteristics of the termination indemnity liabilities are similar to the “Post Employment Benefit Plans” stated in this standard, these liabilities are calculated and stated in the financial statements on the basis of below mentioned “Proposed Unit Loan Method” and other various assumptions.

- The dates that the employees will gain their pension rights are determined with respect to the prevailing social security laws with consideration to their past employment durations.

2. Presentation of the Financial Statements (continued)

ix. Significant Accounting Policies and Valuation Procedures Applied (continued):

(k) Employee Benefits (continued):

- In calculating the current value of future liabilities that may arise due to the retirement or contract termination of an employee, it is assumed that the current salaries and wages or the value of the termination indemnity upper limit determined by the Labour Law for 30 June 2009 to remain constant for restatement purposes, and later on, this value is reduced by the actual discount rate of 6,26% (31 December 2008 – 6,26%) calculated upon the assumption that the expected annual inflation rate will be 5,4% (31 December 2008 – 5,4%) and the expected discount rate will be 12% (31 December 2008 - 12%) which represents the proposed average interest rate per annum of the government bonds, in order to determine the current net value of the termination indemnity liability at the balance sheet date.

As of 30 June 2009 and 31 December 2008 assumptions used in calculating termination indemnity are as follows:

	30 June 2009	31 December 2008
Discount rate	6,26 %	6,26 %
The ratio of the number of employees who have gained the right to receive termination indemnity in the prior years to the total number of employees	100 %	100 %

(l) Revenues and Expenses:

The accruals basis of accounting is applied for the recognition of revenues and expenses. The accrual concept requires that revenue, income and profits should be matched with costs, expenses and losses belonging to the same period.

Revenue from the sale of goods is recognized when the entity has transferred to the buyer the significant risks and rewards of ownership of the goods, when the entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold, when the amount of revenue can be measured reliably, when it is probable that the economic benefits associated with the transaction will flow to the entity, and when the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Interest revenue accrual is calculated over the effective interest rate. In the event that there is unpaid interest accrual before acquisition of a marketable security bearing interest, the interest collected subsequently is allocated to periods before- and after acquisition, and only the part that relates to the period after acquisition is recognized as income in the financial statements.

Dividend income is recognized at the time when collection right is established.

2. Presentation of the Financial Statements (continued)

ix. Significant Accounting Policies and Valuation Procedures Applied (continued):

(m) Earnings/(Loss) Per Share:

Earnings/(loss) per share is calculated by dividing the net profit or loss for the period attributable to ordinary equity holders of the parent company by the weighted average number of ordinary shares outstanding during the period.

Companies in Turkey can increase their share capital through distributing shares (bonus shares) from retained earnings and differences arising from inflation adjustment in equity to their current shareholders on a pro rata basis. When calculating profit/(loss) per share, these bonus shares are recognized as issued shares. Therefore, the weighted average of shares used in the calculation of profit/(loss) per share is derived through retroactive application with respect to bonus shares.

(n) Accounting Estimates:

During the preparation of financial statements in accordance with the TAS/TFRS, the Management discloses the balance sheet value of the assets and liabilities stated in the financial statements as of the balance sheet date and explanations regarding off balance sheet liabilities, and to provide assumptions that might affect the totals of income and expense realized during the period. However, actual results may vary from these results.

(o) Events After the Reporting Period:

If the Parent Company and its subsidiaries receive information after the reporting period about conditions that existed at the reporting period, it updates disclosures that relate to those conditions, in the light of the new information. If non-adjusting events after the reporting period are material, the Parent Company and its subsidiaries discloses them in the related period.

(p) Conditional Assets and Liabilities:

Assets and liabilities that originate from past incidents and whose presence is not fully under the company management's control as it can only be confirmed through the realization of one or more indefinite incidents to take place in the future are not included in the financial statements and are deemed as conditional liabilities and assets.

(r) Borrowing Costs:

Borrowing costs are recognized as expense. Borrowing costs related to the qualifying assets are included directly in the cost of the related qualifying asset. Upon completion of the necessary operations to make the qualifying asset ready for use or sale, the capitalization of the borrowing costs are discontinued. As of 30 June 2009, the borrowing costs amounting to TL 3.417.067 directly related to the investments in progress are added to the cost of the related asset (31 December – TL 24.667.878)(Note 10).

2. Presentation of the Financial Statements (continued)

ix. Significant Accounting Policies and Valuation Procedures Applied (continued):

(s) Segment Reporting:

For the six months period ended 30 June 2009 and the year ended 31 December 2008, the operating activities of the Parent Company and its subsidiaries are classified under three sectors, namely, chemistry, textile and marketing.

(t) Government Incentives and Grants:

The government incentives utilized by the Parent Company are those that are related to revenues and they are recognized in the statement of comprehensive income.

3. Segment Reporting

As of 30 June 2009, segment reporting consists of the following (TL):

	Chemistry *	Textile	Marketing	Classification and Elimination	Total
ASSETS					
Current Assets	527.948.732	8.848.847	115.458.769	(94.999.029)	557.257.319
Cash and Cash Equivalents	48.958.721	409.134	4.291.354	-	53.659.209
Trade Receivables					
- Other Trade Receivables	238.077.983	180.524	85.637.834	-	323.896.341
- Trade Receivables from Related Parties	91.758.086	5.290.601	9.062.953	(93.946.839)	12.164.801
Other Receivables	41.964.834	535.296	15.687.561	(604.407)	57.583.284
Inventories	67.418.784	1.967.275	456.148	(447.783)	69.394.424
Other Current Assets	39.770.324	466.017	322.919	-	40.559.260
Non-current Assets	589.756.988	14.783.313	2.616.321	(14.042.273)	593.114.349
Trade Receivables	13.256.723	-	-	-	13.256.723
Other Receivables	9.417	4.931	-	-	14.348
Financial Investments	27.138.270	39.361	39.388	(19.217.238)	7.999.781
Tangible Assets	513.936.193	11.926.177	2.570.004	(813.686)	527.618.688
Intangible Assets	6.554.859	2.734.844	6.929	-	9.296.632
Goodwill	-	-	-	5.988.651	5.988.651
Other Non-current Assets	28.861.526	78.000	-	-	28.939.526
TOTAL ASSETS	1.117.705.720	23.632.160	118.075.090	(109.041.302)	1.150.371.668

* Chemistry sector includes the financial data related to the Parent Company.

3. Segment Reporting

As of 30 June 2009, segment reporting consists of the following (TL) (continued):

	Chemistry *	Textile	Marketing	Classification and Elimination	Total
LIABILITIES					
Short Term Liabilities	229.619.314	2.694.408	110.639.764	(94.692.364)	248.261.122
Financial Debts	74.424.135	-	15.701.538	-	90.125.673
Trade Payables					
- Other Trade Payables	86.598.919	484.320	1.343.884	-	88.427.123
- Trade Payables to Related Parties	22.702.838	300.854	90.590.828	(94.087.957)	19.506.563
Other Payables	3.513.640	1.232.285	541.664	(604.407)	4.683.182
Taxes Payable on Profit for the Current Period	-	332.566	13.511	-	346.077
Debt Provisions	2.399.660	236.760	4.265	-	2.640.685
Other Short Term Liabilities	39.980.122	107.623	2.444.074	-	42.531.819
Long Term Liabilities	168.485.518	2.176.228	305.440	(61.333)	170.905.853
Financial Debts	142.222.795	-	-	-	142.222.795
Provision for Employee Benefits	7.531.412	1.479.933	402.027	-	9.413.372
Deferred Tax Liability	18.731.311	696.295	(96.587)	(61.333)	19.269.686
Debt Provisions	-	-	-	-	-
EQUITY	719.600.888	18.761.524	7.129.886	(14.287.605)	731.204.693
Parent Company Equity	719.600.888	18.761.524	7.129.886	(27.933.261)	717.559.037
Paid-in Capital	380.174.673	8.465.590	17.440.373	(221.080.636)	185.000.000
Inflation Adjustment on Share Capital	-	-	-	195.174.673	195.174.673
Issue Premiums	1.669.549	-	-	(1.625.943)	43.606
Restricted Profit Reserves	122.307.449	10.616.751	2.585.771	(89.643.761)	45.866.210
Retained Earnings / (Accumulated Losses)	194.195.119	(729.625)	(13.025.064)	91.826.907	272.267.337
Net Profit / (Loss) for the Period	21.254.098	408.808	128.806	(2.584.501)	19.207.211
Non-controlling Interests	-	-	-	13.645.656	13.645.656
TOTAL LIABILITIES AND EQUITY	1.117.705.720	23.632.160	118.075.090	(109.041.302)	1.150.371.668

* Chemistry sector includes the financial data related to the Parent Company.

3. Segment Reporting (continued)

As of 30 June 2009, segment reporting consists of the following (TL) (continued):

	Chemistry *	Textile	Marketing	Classification and Elimination	Total
CONTINUING ACTIVITIES					
Sales Income (net)	368.089.929	13.736.810	185.587.114	(179.372.924)	388.040.929
Cost of Sales (-)	(308.732.106)	(11.405.151)	(182.497.230)	182.827.590	(319.806.897)
GROSS PROFIT/(LOSS)	59.357.823	2.331.659	3.089.884	3.454.666	68.234.032
Marketing, Sales and Distribution Expenses (-)	(4.181.559)	-	(441.045)	-	(4.622.604)
General Administration Expenses (-)	(13.464.922)	(1.285.034)	(2.810.756)	-	(17.560.712)
Research and Development Expenses (-)	(5.649.925)	-	-	23.713	(5.626.212)
Other Operating Income	7.188.787	165.272	308.040	(60.910)	7.601.189
Other Operating Expenses(-)	(21.778.613)	(846.333)	(34)	2.184.384	(20.440.596)
OPERATING PROFIT / (LOSS)	21.471.591	365.564	146.089	5.601.853	27.585.097
Financial Income	85.605.788	134.394	18.323.249	(8.074.904)	95.988.527
Financial Expenses (-)	(82.062.249)	(4.115)	(18.309.771)	144.017	(100.232.118)
PROFIT/(LOSS) FROM CONTINUING ACTIVITIES BEFORE TAX	25.015.130	495.843	159.567	(2.329.034)	23.341.506
Tax Income/(Expense) for the Period	(2.343.410)	(410.907)	(13.511)	-	(2.767.828)
Deferred Tax Income / (Expense)	(1.417.622)	323.872	(17.250)	19.512	(1.091.488)
Tax Income/(Expense) Related to Continuing Activities	(3.761.032)	(87.035)	(30.761)	19.512	(3.859.316)
PROFIT/(LOSS) FOR THE PERIOD ON CONTINUING ACTIVITIES	21.254.098	408.808	128.806	(2.309.522)	19.482.190
PROFIT/(LOSS) FOR THE PERIOD	21.254.098	408.808	128.806	(2.309.522)	19.482.190
OTHER COMPREHENSIVE PROFIT/(LOSS)	-	-	-	-	-
TOTAL COMPREHENSIVE PROFIT/(LOSS)	21.254.098	408.808	128.806	(2.309.522)	19.482.190

* Chemistry sector includes the financial data related to the Parent Company.

3. Segment Reporting (continued)

As of 31 December 2008, segment reporting consists of the following (TL):

	Chemistry *	Textile	Marketing	Classification and Elimination	Total
ASSETS					
Current Assets	579.816.424	10.535.100	116.961.977	(98.237.358)	609.076.143
Cash and Cash Equivalents	60.259.117	582.063	2.742.375	-	63.583.555
Trade Receivables					
- Other Trade Receivables	283.008.870	133.918	75.727.971	-	358.870.759
- Trade Receivables from Related Parties	96.761.228	6.689.305	19.662.227	(97.885.066)	25.227.694
Other Receivables	27.673.552	13.035	17.661.628	-	45.348.215
Inventories	96.390.405	2.280.372	460.460	(352.292)	98.778.945
Other Current Assets	15.723.252	836.407	707.316	-	17.266.975
Non-current Assets	514.437.396	16.347.311	2.665.198	(14.042.273)	519.407.632
Trade Receivables	12.665.408	-	-	-	12.665.408
Other Receivables	9.417	-	-	-	9.417
Financial Investments	27.138.270	39.361	39.388	(19.217.238)	7.999.781
Tangible Assets	439.250.455	13.486.286	2.616.161	(813.686)	454.539.216
Intangible Assets	194.305	2.821.664	9.649	-	3.025.618
Goodwill	-	-	-	5.988.651	5.988.651
Other Non-current Assets	35.179.541	-	-	-	35.179.541
TOTAL ASSETS	1.094.253.820	26.882.411	119.627.175	(112.279.631)	1.128.483.775

* Chemistry sector includes the financial data related to the Parent Company.

3. Segment Reporting (continued)

As of 31 December 2008, segment reporting consists of the following (TL) (continued):

	Chemistry *	Textile	Marketing	Classification and Elimination	Total
LIABILITIES					
Short Term Liabilities	250.058.121	2.378.809	112.242.501	(98.028.250)	266.651.181
Financial Debts	100.899.481	-	17.582.933	-	118.482.414
Trade Payables					
- Other Trade Payables	91.710.694	1.031.094	1.428.449	-	94.170.237
- Trade Payables to Related Parties	21.755.540	849.258	92.370.318	(98.028.250)	16.946.866
Other Payables	2.510.353	182.199	600.818	-	3.293.370
Taxes Payable on Profit for the Current Period	7.915.984	-	187.162	-	8.103.146
Debt Provisions	3.554.622	172.724	72.821	-	3.800.167
Other Short Term Liabilities	21.711.447	143.534	-	-	21.854.981
Long Term Liabilities	145.848.909	2.431.760	383.594	(41.822)	148.622.441
Financial Debts	121.089.861	-	-	-	121.089.861
Provision for Employee Benefits	7.445.359	1.411.592	497.431	-	9.354.382
Deferred Tax Liability	17.313.689	1.020.168	(113.837)	(41.822)	18.178.198
EQUITY	698.346.790	22.071.842	7.001.080	(14.209.559)	713.210.153
Parent Company Equity	698.346.790	22.071.842	7.001.080	(29.067.886)	698.351.826
Paid-in Capital	365.174.673	8.465.590	17.440.373	(281.080.636)	110.000.000
Inflation Adjustment on Share Capital	-	-	-	255.174.673	255.174.673
Issue Premiums	1.669.549	-	-	(1.625.943)	43.606
Restricted Profit Reserves	119.337.456	10.254.838	2.585.771	(89.401.474)	42.776.591
Retained Earnings / (Accumulated Losses)	138.163.566	811.682	(14.519.700)	92.994.199	217.449.747
Net Profit / (Loss) for the Period	74.001.546	2.539.732	1.494.636	(5.128.705)	72.907.209
Non-controlling Interests	-	-	-	14.858.327	14.858.327
TOTAL LIABILITIES AND EQUITY	1.094.253.820	26.882.411	119.627.175	(112.279.631)	1.128.483.775

* Chemistry sector includes the financial data related to the Parent Company.

3. Segment Reporting (continued)

As of 30 June 2008, segment reporting consists of the following (TL) (continued):

	Chemistry *	Textile	Marketing	Classification and Elimination	Total
CONTINUING ACTIVITIES					
Sales Income (net)	457.042.409	15.130.330	184.286.754	(187.820.289)	468.639.204
Cost of Sales (-)	(407.828.523)	(12.661.974)	(188.113.410)	184.116.235	(424.487.672)
GROSS PROFIT / (LOSS)	49.213.886	2.468.356	(3.826.656)	(3.704.054)	44.151.532
Marketing, Sales and Distribution Expenses (-)	(2.897.952)	-	-	1.995.520	(902.432)
General Administration Expenses (-)	(13.848.949)	(1.365.744)	(2.843.351)	(221.032)	(18.279.076)
Research and Development Expenses (-)	(3.939.022)	-	-	18.565	(3.920.457)
Other Operating Income	8.802.556	222.030	453.882	(2.310.205)	7.168.263
Other Operating Expenses(-)	(581.429)	-	(301.368)	(1.545.009)	(2.427.806)
OPERATING PROFIT / (LOSS)	36.749.090	1.324.642	(6.517.493)	(5.766.215)	25.790.024
Financial Income	54.195.961	466.539	7.510.164	(11.387.167)	50.785.497
Financial Expenses (-)	(55.308.628)	(70.803)	(194.905)	14.823.703	(40.750.633)
PROFIT/(LOSS) FROM CONTINUING ACTIVITIES BEFORE TAX	35.636.423	1.720.378	797.766	(2.329.679)	35.824.888
Tax Income/(Expense) for the Period	(6.321.624)	(555.684)	(157.435)	-	(7.034.743)
Deferred Tax Income / (Expense)	336.352	181.008	(3.672)	(36.809)	476.879
Tax Income/(Expense) Related to Operating Activities	(5.985.272)	(374.676)	(161.107)	(36.809)	(6.557.864)
PROFIT/(LOSS) FOR THE PERIOD ON CONTINUING ACTIVITIES	29.651.151	1.345.702	636.659	(2.366.488)	29.267.024
PROFIT/(LOSS) FOR THE PERIOD	29.651.151	1.345.702	636.659	(2.366.488)	29.267.024
OTHER COMPREHENSIVE PROFIT/(LOSS)	-	-	-	-	-
TOTAL COMPREHENSIVE PROFIT/(LOSS)	29.651.151	1.345.702	636.659	(2.366.488)	29.267.024

* Chemistry sector includes the financial data related to the Parent Company.

3. Segment Reporting (continued)

Distribution of depreciation expenses per segments stated in the statement of income for the six months period ended 30 June 2009 is as follows (TL):

	Chemistry*	Textile	Marketing	Total
Tangible Assets	20.632.173	1.339.577	70.404	22.042.154
Intangible Assets	199.806	110.140	2.719	312.665
Total depreciation and amortisation for the current period	20.831.979	1.449.717	73.123	22.354.819

Distribution of depreciation expenses per segments stated in the statement of comprehensive income for the six months period ended 30 June 2008 is as follows (TL):

	Chemistry*	Textile	Marketing	Total
Tangible Assets	15.154.837	1.330.770	79.601	16.565.208
Intangible Assets	89.486	106.865	3.810	200.161
Total depreciation and amortisation for the current period	15.244.323	1.437.635	83.411	16.765.369

* Chemistry sector includes the financial data related to the Parent Company.

4. Cash and Cash Equivalents

Cash and cash equivalents consist of the following (TL) :

	30 June 2009	31 December 2008
Cash	124.667	134.711
Banks (Note 26 (i))	41.994.190	43.545.402
- TL demand deposit	1.853.690	1.968.990
- Foreign currency demand deposit	5.805.023	4.891.818
- TL time deposit *	9.760.555	11.358.136
- Foreign currency time deposit **	24.574.922	25.326.458
Other liquid assets	11.540.352	19.903.442
Total	53.659.209	63.583.555

* As of 30 June 2009 the interest rate on TL time deposit accounts varies between 9,25% and 12,75% (31 December 2008 – 16,55% - 16,65%).

** As of 30 June 2009, the interest rates on USD and Euro time deposit accounts vary between 2,10% and 4,20% (31 December 2008 - USD 3,00 % - Euro 7,00 %).

The sum of cash balances and other liquid assets is stated as “Other” in the Credit Risk Table (Note 26 (i)).

5. Financial Assets

Financial assets consist of the following (TL) :

	30 June 2009	31 December 2008
Subsidiaries;		
Aksa Egypt Acrylic Fiber Industry SAE	78.695	78.695
Fitco BV	7.863.032	7.863.032
Akgirişim Kimya ve Ticaret A.Ş.	58.000	58.000
Other long term financial assets	54	54
Total	7.999.781	7.999.781

6. Financial Liabilities

Financial liabilities consist of the following (TL) :

	30 June 2009	31 December 2008
Short term bank loans	89.336.993	117.676.634
Principal payments of long term bank loans and related interests	788.680	805.780
Short term financial liabilities	90.125.673	118.482.414
Long term financial liabilities	142.222.795	121.089.861
Total financial liabilities (Note 26 (ii))	232.348.468	239.572.275

The maturities of long term loans are 15 December 2014 and 30 December 2014.

As of 30 June 2009, the interest rate on short term TL loans varies between 11% and 16,50%; the interest rate on USD loans varies between 1,60 % and 5,47% (31 December 2008 –TL loans: 14,50% - 17%; USD loans: 2,71% - 10,52%).

As of 30 June 2009, the interest rate on long term USD bank loans vary between 3,25% and 6,30% (31 December 2008 – USD loans: 4,02% - 5,63%).

7. Trade Receivables and Payables

Short term trade receivables consist of the following (TL) :

	30 June 2009	31 December 2008
Customers	144.386.998	136.111.961
Notes receivable and post-dated cheques	181.207.976	225.175.376
Rediscount on receivables (-)	(1.698.633)	(2.416.578)
Doubtful trade receivables (Note 26(i))	2.247.869	2.247.869
Provision for doubtful trade receivables (-)(Note 26(i))	(2.247.869)	(2.247.869)
Total other trade receivables *	323.896.341	358.870.759
Trade receivables from related parties	12.316.317	25.424.800
Rediscount (-)	(151.516)	(197.106)
Trade receivables from related parties (Notes 25 and 26(i))	12.164.801	25.227.694
Total short term trade receivables	336.061.142	384.098.453

Changes in provisions for doubtful trade receivables as of 30 June 2009 and 31 December 2008 are set out in the table below (TL):

	30 June 2009	31 December 2008
Provision for doubtful trade receivables at the beginning of the period	2.247.869	1.412.641
Provision made during the period	-	835.228
Provision for doubtful trade receivables at the end of the period	2.247.869	2.247.869

Long term trade receivables consist of the following (TL) :

	30 June 2009	31 December 2008
Notes receivable and post-dated cheques	14.314.087	14.159.712
Rediscount on receivables (-)	(1.057.364)	(1.494.304)
Total long term trade receivables *	13.256.723	12.665.408

* The sum of short and long term other trade receivables is stated as "Other Party" in the Credit Risk Table in Note 26(i).

7. Trade Receivables and Payables (continued)

Trade payables consist of the following (TL) :

	30 June 2009	31 December 2008
Suppliers	89.144.311	95.601.186
Rediscount on payables (-)	(717.188)	(1.430.949)
Other trade payables	88.427.123	94.170.237
Trade payables to related parties	19.613.957	16.946.866
Rediscount (-)	(107.394)	-
Trade payables to related parties (Note 25)	19.506.563	16.946.866
Total trade payables (Note 26 (ii))	107.933.686	111.117.103

8. Other Receivables and Payables

Other receivables consist of the following (TL) :

	30 June 2009	31 December 2008
Short term other receivables	41.483.664	27.415.045
Due from personnel	315.041	193.158
Deposits and guarantees given	68.508	59.255
Other receivables *	41.867.213	27.667.458
Non-trade receivables from related parties (Note 25 and Note 26 (i))	15.716.071	17.680.757
Total other receivables (Note 26 (i))	57.583.284	45.348.215

Long term other receivables consist of the following (TL) :

	30 June 2009	31 December 2008
Deposits and guarantees given *	14.348	9.417

* The sum of short and long term other receivables is stated as “Other Party” in the Credit Risk Table (Note 26 (i)).

8. Other Receivables and Payables (continued)

Other payables consist of the following (TL) :

	30 June 2009	31 December 2008
Taxes, duties and other withholdings payable	2.728.917	1.879.354
Social security premiums payable	1.596.816	1.378.191
Due to personnel	23.775	16.203
Other miscellaneous debts	22.715	15.776
Deposits and guarantees received	1.036	1.036
Other payables	4.373.259	3.290.560
Non-trade payables to related parties (Note 25)	309.923	2.810
Total other payables (Note 26 (ii))	4.683.182	3.293.370

9. Inventories

Inventories consist of the following (TL) :

	30 June 2009	31 December 2008
Raw materials and supplies	46.695.413	64.934.273
Semi-finished goods	9.379.145	9.419.137
Finished goods	12.863.718	26.663.522
Trade goods	456.148	460.460
Inventory provision (-) (Note 20)	-	(2.698.447)
	69.394.424	98.778.945

As of 30 June 2009 and 31 December 2008, changes in inventory provision in the respective periods are set out below (TL) :

	30 June 2009	31 December 2008
Inventory provision at the beginning of the period	2.698.447	-
Provisions no longer required (Note 20)	(2.698.447)	-
Provision made during the period	-	2.698.447
Inventory provision at the end of the period	-	2.698.447

10. Tangible Assets

Tangible assets consist of the following (TL) :

As of 30 June 2009;

Cost	Opening 1 January 2009	Additions	Transfers	Capitalized Finance Cost	Disposals	Closing 30 June 2009
Land	59.187.145	-	-	-	-	59.187.145
Land improvements	34.899.461	6.124	13.929	-	-	34.919.514
Buildings	100.328.805	13.475	6.770.121	-	-	107.112.401
Machinery and equipment	625.757.439	12.619.554	99.689.987	-	(5.523)	738.061.457
Motor vehicles	881.609	623	-	-	-	882.232
Furniture and fixtures	14.055.668	101.324	-	-	(23.453)	14.133.539
Other tangible assets	9.219	-	-	-	-	9.219
Investments in progress	57.024.162	81.585.128	(107.343.686)	3.417.067	-	34.682.671
Sub total	892.143.508	94.326.228	(869.649)	3.417.067	(28.976)	988.988.178
Accumulated depreciation (-)						
Land improvements	(24.426.683)	(705.529)	-	-	-	(25.132.212)
Buildings	(29.171.481)	(1.042.688)	-	-	-	(30.214.169)
Machinery and equipment	(371.636.476)	(21.707.249)	-	-	5.523	(393.338.202)
Motor vehicles	(803.309)	(6.798)	-	-	-	(810.107)
Furniture and fixtures	(11.557.211)	(330.536)	-	-	22.166	(11.865.581)
Other tangible assets	(9.132)	(87)	-	-	-	(9.219)
Sub total	(437.604.292)	(23.792.887)	-	-	27.689	(461.369.490)
Net Book Value	454.539.216	70.533.341	(869.649)	3.417.067	(1.287)	527.618.688

10. Tangible Assets (continued)

Tangible assets consist of the following (TL) (continued) :

As of 31 December 2008;

Cost	Opening 1 January 2008	Additions	Transfers	Capitalized Finance Cost	Disposals	Closing 31 December 2008
Land	54.577.547	-	4.609.598	-	-	59.187.145
Land improvements	31.667.828	-	3.231.633	-	-	34.899.461
Buildings	79.206.377	43.236	21.490.209	-	(411.017)	100.328.805
Machinery and equipment	495.005.286	21.648.792	109.635.493	-	(532.132)	625.757.439
Motor vehicles	1.207.263	2.354	-	-	(328.008)	881.609
Furniture and fixtures	14.357.832	468.449	592.373	-	(1.362.986)	14.055.668
Other tangible assets	9.899	-	-	-	(680)	9.219
Investments in progress	89.719.957	83.225.797	(139.759.909)	24.667.878	(829.561)	57.024.162
Sub total	765.751.989	105.388.628	(200.603)	24.667.878	(3.464.384)	892.143.508
Accumulated depreciation (-)						
Land improvements	(23.052.115)	(1.374.568)	-	-	-	(24.426.683)
Buildings	(27.544.920)	(1.703.197)	-	-	76.636	(29.171.481)
Machinery and equipment	(337.497.494)	(34.664.712)	-	-	525.730	(371.636.476)
Motor vehicles	(1.067.350)	(49.895)	-	-	313.936	(803.309)
Furniture and fixtures	(12.008.773)	(901.290)	-	-	1.352.852	(11.557.211)
Other tangible assets	(9.297)	(515)	-	-	680	(9.132)
Sub total	(401.179.949)	(38.694.177)	-	-	2.269.834	(437.604.292)
Net Book Value	364.572.040	66.694.451	(200.603)	24.667.878	(1.194.550)	454.539.216

11. Intangible Assets

Intangible assets consist of the following (TL) :

As of 30 June 2009;

Cost ;	Opening 1 January 2009	Additions	Transfers and Disposals	Closing 30 June 2009
Rights	1.469.043	-	-	1.469.043
Intangible assets at development phase	-	6.554.702	-	6.554.702
Special costs	5.921.626	-	23.319	5.944.945
Other intangible assets	1.376.044	5.658	-	1.381.702
Sub total	8.766.713	6.560.360	23.319	15.350.392
Accumulated amortisation (-)				
Rights	(1.448.486)	(7.941)	-	(1.456.427)
Intangible assets at development phase	-	(118.614)	-	(118.614)
Special costs	(3.094.869)	(108.772)	-	(3.203.641)
Other intangible assets	(1.197.740)	(77.338)	-	(1.275.078)
Sub total	(5.741.095)	(312.665)	-	(6.053.760)
Net Book Value	3.025.618	6.247.695	23.319	9.296.632

As of 31 December 2008;

Cost ;	Opening 1 January 2008	Additions	Transfers and Disposals	Closing 31 December 2008
Rights	1.615.798	8.976	(155.731)	1.469.043
Special costs	5.705.488	15.535	200.603	5.921.626
Other intangible assets	1.338.568	37.476	-	1.376.044
Sub total	8.659.854	61.987	44.872	8.766.713
Accumulated amortisation (-)				
Rights	(1.580.385)	(23.437)	155.336	(1.448.486)
Special costs	(2.878.436)	(216.433)	-	(3.094.869)
Other intangible assets	(1.036.547)	(161.193)	-	(1.197.740)
Sub total	(5.495.368)	(401.063)	155.336	(5.741.095)
Net Book Value	3.164.486	(339.076)	200.208	3.025.618

12. Goodwill

Goodwill consists of the following (TL) :

As of 30 June 2009;

	Opening 1 January 2009	Additions	Disposals	Closing 30 June 2009
Ak-Tops Tekstil Sanayi A.Ş.	5.988.651	-	-	5.988.651
	5.988.651	-	-	5.988.651

As of 31 December 2008;

	Opening 1 January 2008	Additions	Disposals	Closing 31 December 2008
Ak-Tops Tekstil Sanayi A.Ş.	5.988.651	-	-	5.988.651
	5.988.651	-	-	5.988.651

13. Provisions, Contingent Assets and Liabilities

Provisions consist of the following (TL) :

	30 June 2009	31 December 2008
Provision for litigation	709.418	734.420
Provision for unused leaves	1.160.899	933.201
Provision for contingent loss related to derivative instruments (Note 27)	766.103	2.059.724
Provisions for other debts and expenses	4.265	72.822
	2.640.685	3.800.167

Taxes payable on profit for the current period consist of the following (TL) :

	30 June 2009	31 December 2008
Current period tax provision (Note 23)	2.767.828	15.750.109
Prepaid taxes and funds (-)	(2.421.751)	(7.646.963)
	346.077	8.103.146

13. Provisions, Contingent Assets and Liabilities (continued)

Contingent assets and liabilities consist of the following (TL) :

a) As of 30 June 2009, contingent liabilities consisting of guarantees given amount to TL 39.448.689, USD 84.734.227 and EURO 270.300 (31 December 2008 – TL 70.619.984, USD 99.456.596, and EURO 1.108.800).

b) As of 30 June 2009 and 31 December 2008, guarantees received consist of the following (TL):

	30 June 2009	31 December 2008
Guarantees received for trade receivables	165.983.980	194.050.991
Guarantees received from suppliers	3.046.988	3.030.150
	169.030.968	197.081.141

c) As of 30 June 2009 the ongoing litigation commenced by the Parent Company and its subsidiaries against third parties amount to TL 1.276.824 and USD 357.584 (31 December 2008 – TL 1.276.769 and USD 357.584).

d) As of 30 June 2009, the ongoing litigation commenced by third parties against the Parent Company and its subsidiaries amounts to TL 330.698 (31 December 2008 – TL 309.598).

Changes in provision for litigation as of 30 June 2009 and 31 December 2008 are set out below (TL):

	30 June 2009	31 December 2008
Provision for litigation at the beginning of the period	734.420	2.844.992
Provisions no longer required in the period (Note 20)	(77.942)	(2.394.167)
Provision made during the period	52.940	283.595
Provision for litigation at the end of the period	709.418	734.420

14. Employee Benefits

Liabilities related to employee benefits consist of provision for termination indemnity as in the following (TL) :

	30 June 2009	31 December 2008
Provision for termination indemnity at the beginning of the period	9.354.382	9.592.710
Charge for the current period (Note 18)	215. 967	189.983
Provisions no longer required in the period (Note 20)	(156.977)	(428.311)
Provision for termination indemnity at the end of the period	9.413.372	9.354.382

15. Other Assets and Liabilities

Other current assets consist of the following (TL) :

	30 June 2009	31 December 2008
Order advances given for inventories	11.683.010	1.163.612
Other VAT	21.712.038	10.833.914
Deferred VAT	1.664.655	3.591.061
Prepaid taxes and funds	3.365.342	95.382
Personnel advances	220.535	1.248.922
Expenses related to future months	1.703.952	297.831
Job advances	209.728	36.253
	40.559.260	17.266.975

Other long term assets consist of the following (TL) :

	30 June 2009	31 December 2008
Order advances given for tangible assets	28.861.500	35.179.541
Personnel advances	78.000	-
Expenses related to future years	26	-
	28.939.526	35.179.541

Other short term liabilities consist of the following (TL) :

	30 June 2009	31 December 2008
Other VAT	21.712.038	10.833.914
Expense accruals	107.623	153.544
Income related to future months	-	630.000
Order advances received	20.712.158	10.237.523
	42.531.819	21.854.981

16. Equity

(a) Share Capital:

The shareholding structure of the Parent Company is as follows (TL):

	30 June 2009		31 December 2008	
Name	Shareholding	Nominal Value	Shareholding	Nominal Value
Akkök Sanayi Yatırım ve Geliştirme A.Ş.	39,58%	73.223.000	39,58%	43.546.625
Emniyet Tic. ve San. A.Ş.	18,72%	34.632.000	18,72%	20.596.070
Oppenheimer Quest International Value Fund	9,97%	18.444.500	10,53%	11.583.000
Other *	31,73%	58.700.500	31,17%	34.274.305
		185.000.000		110.000.000
Capital adjustment differences		195.174.673		255.174.673
Total adjusted capital		380.174.673		365.174.673

* Represents shareholding of less than 5%.

The Parent Company's registered capital limit is TL 425.000.000 and its issued capital has been increased from TL 110.000.000 to TL 185.000.000. Of the increased portion of TL 75.000.000, a total of TL 60.000.000 is provided from inflation adjustment differences and the balance of TL 15.000.000 is provided through addition of the first dividends allocated from 2008 profit to the share capital. Bonus shares are deposited to the shareholders' accounts as of 30 June 2009, and the capital increase is registered at 1 July 2009.

(b) Restricted Profit Reserves:

Restricted profit reserves consist of the legal reserves and profit on sales of investments as follows (TL);

	30 June 2009	31 December 2008
Legal reserves	19.549.570	16.579.576
Profit on sales of investments	26.316.640	26.197.015
	45.866.210	42.776.591

Legal reserves, which are divided as First Legal Reserve and Second Legal Reserve as per the Turkish Commercial Code, are appropriated as below:

a) First Legal Reserve: Appropriated out of net profit at the rate of 5% until such reserve is equal to 20% of issued and fully paid capital.

16. Equity (continued)

(b) Restricted Profit Reserves (continued):

b) Second Legal Reserve: Appropriated out of net profit at the rate of 10% of distributions after providing for First Legal Reserve and an amount equal to 5% of capital as dividends.

Legal reserves which do not exceed one half of share capital may only be used to absorb losses or for purposes of continuity of the business in times of business difficulties and to prevent unemployment or lessen its effects.

(c) Retained Earnings /(Accumulated Losses)

Retained earnings/(accumulated losses) in the respective periods is as follows (TL) :

	30 June 2009	31 December 2008
Retained earnings	217.449.747	238.916.635
2007 profit transfer	-	4.730.127
2008 profit transfer	72.907.209	-
Capital increase	(15.000.000)	-
Transfer to reserves	(2.969.994)	-
Profit on sales of investments	(119.625)	(26.197.015)
	272.267.337	217.449.747

Distribution of retained earnings/(accumulated losses) is as follows (TL) :

	30 June 2009	31 December 2008
Retained earnings/(Accumulated losses)	75.690.769	21.170.548
Extraordinary reserves	56.768.988	56.768.988
Differences arising from inflation adjustment in equity	138.677.573	138.677.573
Legal reserves of subsidiaries	1.076.375	779.006
Extraordinary reserves of subsidiaries	53.632	53.632
	272.267.337	217.449.747

As per the Communiqué Nr. XI/29, “Paid-in Capital, Issue Premiums and Restricted Reserves” are recognized over the totals stated in the legal books, and the differences arising upon valuations made in accordance with TAS/TFRS are correlated with the retained earnings/accumulated losses. As per the same Communiqué, retained earnings/accumulated losses other than the net profit for the period, are stated in the “Retained Earnings/Accumulated Losses” account together with the extraordinary reserves regarded in essence as retained earnings/accumulated losses.

16. Equity (continued)

(c) Retained Earnings /(Accumulated Losses) (continued)

Inflation adjustment differences in equity arising upon restatement of share premium, legal and extraordinary reserves are stated below as per the respective periods (TL):

	30 June 2009	31 December 2008
Inflation adjustment in extraordinary reserves	5.323.651	5.323.651
Inflation adjustment in legal reserves	110.092.166	110.092.166
Inflation adjustment in share premium	23.261.756	23.261.756
	138.677.573	138.677.573

Inflation adjustment differences may be used in bonus issue and offsetting losses. Furthermore, inflation adjustment differences arising from reserves bearing no record that disables profit distribution may be used in profit distribution.

(d) Non-controlling Interests

Non-controlling interests consist of the following (TL) :

	30 June 2009	31 December 2008
Share capital	18.468.486	18.468.486
Legal reserves	6.636.771	6.339.405
Extraordinary reserves	192.101	192.101
Retained earnings/(accumulated losses)	(11.926.681)	(12.450.866)
Profit/(loss) for the period	274.979	2.309.201
	13.645.656	14.858.327

17. Sales and Cost of Sales

Sales income consists of the following (TL) :

	1 January 2009- 30 June 2009	1 April 2009- 30 June 2009	1 January 2008- 30 June 2008	1 April 2008- 30 June 2008
Domestic sales *	217.278.145	131.463.805	285.361.646	146.066.346
Exports	178.336.326	98.953.761	198.280.450	106.369.685
Other sales	1.363.185	548.291	278.842	119.308
Sales returns (-)	(1.102.266)	(515.244)	(1.706.934)	(1.320.330)
Other deductions (-)	(7.834.461)	(4.281.362)	(13.574.800)	(6.213.710)
	388.040.929	226.169.251	468.639.204	245.021.299

* The electricity sales and steam sales included in the domestic sales for the six months period ended 30 June 2009 amounts to TL 8.212.732 , and TL 2.260.608, respectively (30 June 2008 – None).

17. Sales and Cost of Sales (continued)

Cost of sales consist of the following (TL) :

	1 January 2009-30 June 2009	1 April 2009-30 June 2009	1 January 2008-30 June 2008	1 April 2008-30 June 2008
Cost of finished goods sold *	293.707.619	165.268.172	390.605.136	204.330.577
Cost of trade goods sold	14.641.409	5.919.642	19.483.827	9.292.496
Cost of services sold	10.065.316	4.754.213	12.531.418	6.212.497
Cost of other sales	1.392.553	512.709	1.867.291	878.049
	319.806.897	176.454.736	424.487.672	220.713.619

* The sales cost of electricity and steam included in the cost of finished goods sold during the six months period ended 30 June 2009 amounts to TL 4.951.742, and TL 2.204.802, respectively (30 June 2008 – None).

Cost of goods sold consists of the following (TL) :

	1 January 2009-30 June 2009	1 April 2009-30 June 2009	1 January 2008-30 June 2008	1 April 2008-30 June 2008
Raw materials and supplies	214.297.818	122.343.866	314.135.688	165.098.688
Depreciation expense	8.500.128	4.214.290	13.430.175	7.999.110
Overhead	60.231.564	32.184.725	51.072.861	25.604.334
Labour expense	10.678.109	6.525.291	11.966.412	5.628.445
	293.707.619	165.268.172	390.605.136	204.330.577

18. Research and Development Expenses; Marketing, Sales and Distribution Expenses; General Administration Expenses

Research and development expenses, marketing, sales and distribution expenses and general administration expenses consist of the following (TL) :

	1 January 2009-30 June 2009	1 April 2009-30 June 2009	1 January 2008-30 June 2008	1 April 2008-30 June 2008
Marketing, sales and distribution expenses	4.622.604	2.727.953	902.432	453.023
Research and development expenses	5.626.212	1.988.329	3.920.457	2.091.202
General administration expenses	17.560.712	9.111.188	18.279.076	8.877.789
	27.809.528	13.827.470	23.101.965	11.422.014

18. Research and Development Expenses; Marketing, Sales and Distribution Expenses; General Administration Expenses (continued)

Research and development expenses, marketing, sales and distribution expenses and general administration expenses consist of the following (TL) (continued):

Marketing, sales and distribution expenses consist of the following;

	1 January 2009-30 June 2009	1 April 2009-30 June 2009	1 January 2008-30 June 2008	1 April 2008-30 June 2008
Personnel expenses (Note 19)	1.126.199	836.962	539.847	276.259
Sampling expenses	102.118	84.259	55.716	7.434
Transportation and rent expenses	12.726	4.650	76.597	33.972
Travel expenses	114.507	86.192	70.748	42.134
Rent expenses	54.836	26.400	38.373	20.752
Depreciation (Note 19)	9.033	2.612	16.845	7.342
Fair and exhibition expenses	61.706	23.448	-	-
Communication expenses	7.947	3.530	3.625	262
Advertisement, press and promotion expenses	5.652	350	5.676	4.125
Exports expenses	3.047.009	1.607.656	-	-
Other expenses	80.871	51.894	95.005	60.743
	4.622.604	2.727.953	902.432	453.023

Research and development expenses consist of the following;

	1 January 2009-30 June 2009	1 April 2009-30 June 2009	1 January 2008-30 June 2008	1 April 2008-30 June 2008
Personnel expenses (Note 19)	1.666.095	656.841	1.910.927	1.114.703
Depreciation (Note 19)	1.759.194	1.226.292	1.318.930	584.019
Subcontractor expenses	141.103	74.577	190.588	95.135
Maintenance, repair and cleaning expenses	102.587	77.559	132.566	83.585
Auxiliary material expenses	1.532.394	57.581	118.341	73.517
Other outsourced benefits and services	125.314	84.207	58.988	38.983
Sampling expenses	450	(381.413)	338	166
Other expenses	299.075	192.685	189.779	101.094
	5.626.212	1.988.329	3.920.457	2.091.202

18. Research and Development Expenses; Marketing, Sales and Distribution Expenses; General Administration Expenses (continued)

Research and development expenses, marketing, sales and distribution expenses and general administration expenses consist of the following (TL) (continued):

General administration expenses consist of the following;

	1 January 2009- 30 June 2009	1 April 2009- 30 June 2009	1 January 2008- 30 June 2008	1 April 2008- 30 June 2008
Personnel expenses	7.452.909	4.127.975	7.814.005	3.796.382
Communication expenses	195.777	113.828	308.874	175.347
Consultancy expenses	2.206.635	1.137.251	2.781.607	1.403.797
Social expenses	602.302	296.292	1.297.445	666.707
Depreciation(Note 19)	263.969	70.417	550.888	252.541
Office expenses	301.257	183.292	195.886	(185.809)
Insurance expenses	185.238	152.230	142.484	73.825
Rent expenses	405.211	236.683	327.954	177.165
Miscellaneous tax expenses	184.567	158.031	143.518	130.316
Travel expenses	410.460	262.373	447.109	186.564
Advertisement expenses	20.355	16.287	22.584	5.084
Disallowable expenses	629.828	339.930	973.835	476.305
IT service expenses	1.669.401	1.055.352	756.553	756.553
Other outsourced benefits and services	452.377	(99.344)	619.136	250.740
Maintenance, repair, and cleaning expenses	509.179	397.485	480.721	224.599
Contribution to common costs	141.439	92.049	294.009	250.654
Court and notary expenses	125.849	28.764	21.903	13.283
Provisions for termination indemnity (Notes 14 and 19)	215.967	233.189	3.840	(106.549)
Provisions for leaves (Note 19)	227.698	(151.332)	512.047	(120.154)
Environmental expenses	242.497	149.569	-	-
Subcontractor expenses	298.688	206.799	67.565	34.855
Other expenses	819.109	104.068	517.113	415.584
	17.560.712	9.111.188	18.279.076	8.877.789

19. Expenses by Nature

Depreciation and amortization expenses consist of the following (TL) :

	1 January 2009- 30 June 2009	1 April 2009- 30 June 2009	1 January 2008- 30 June 2008	1 April 2008- 30 June 2008
Cost of goods sold	8.500.128	4.214.290	13.430.175	7.999.110
Research and development expenses	1.759.194	1.226.292	1.318.930	584.019
Marketing expenses	9.033	2.612	16.845	7.342
General administration expenses	263.969	70.417	550.888	252.541
Cost of services sold	1.446.308	739.628	1.433.383	688.658
Cost of other sales	2.259	(13.251)	15.145	5.643
Idle section expenses	10.373.928	6.193.113	-	-
Intangible assets at development phase	1.043.893	1.043.893	-	-
Inventory depreciation	706.840	(817.347)	1.600.240	120.909
	24.105.552	12.659.647	18.365.606	9.658.222
Depreciation	23.792.887	12.445.822	18.165.445	9.557.140
Amortisation	312.665	213.825	200.161	101.082
	24.105.552	12.659.647	18.365.606	9.658.222

Employee benefits consist of the following (TL) :

	1 January 2009- 30 June 2009	1 April 2009- 30 June 2009	1 January 2008- 30 June 2008	1 April 2008- 30 June 2008
Overhead	13.509.887	7.963.741	14.993.081	7.093.746
Research and development expenses (Note 18)	1.666.095	656.841	1.910.927	1.114.703
Marketing and sales expenses (Note 18)	1.126.199	836.962	539.847	276.259
General administration expenses	7.896.575	4.209.832	8.329.892	3.569.679
Idle section expenses	1.980.795	(301.741)	-	-
	26.179.551	13.365.635	25.773.747	12.054.387

19. Expenses by Nature (continued)

Employee benefits consist of the following (TL) :

	1 January 2009- 30 June 2009	1 April 2009- 30 June 2009	1 January 2008- 30 June 2008	1 April 2008- 30 June 2008
Wages and salaries	22.075.208	11.020.785	21.591.130	10.576.465
Catering and transportation	1.356.271	813.203	1.312.652	670.693
Social benefits	2.304.406	1.449.790	2.354.078	1.033.931
Provision for termination indemnity and leaves	443.666	81.857	515.887	(226.702)
	26.179.551	13.365.635	25.773.747	12.054.387

20. Other Operating Income and Expenses

Other operating income consists of the following (TL):

	1 January 2009- 30 June 2009	1 April 2009- 30 June 2009	1 January 2008- 30 June 2008	1 April 2008- 30 June 2008
Inventory provision no longer required (Note 9)	2.698.447	-	-	-
Provision for litigation no longer required (Note 13)	77.942	-	-	-
Provision for termination indemnity no longer required (Note 14)	156.977	59.835	304.410	293.331
Profit on sale of fixed assets	-	-	233.347	220.037
R&D incentive premium income *	-	-	1.666.520	1.666.520
Maturity difference income	2.086.780	1.379.389	2.311.082	1.151.853
Other income and profits	2.581.043	1.154.127	2.652.904	1.873.647
	7.601.189	2.593.351	7.168.263	5.205.388

* The R&D incentive premium include stated in the equity account group in the legal records for the purpose of benefiting from tax advantages will take place within the equity account group in the future reporting periods.

20. Other Operating Income and Expenses (continued)

Other operating expenses consist of the following (TL) :

	1 January 2009- 30 June 2009	1 April 2009- 30 June 2009	1 January 2008- 30 June 2008	1 April 2008- 30 June 2008
Commission expenses	3.339.313	2.009.799	1.302.668	454.811
Idle section expenses	12.629.548	6.166.195	-	-
Prior period expenses and losses	269.964	269.964	5.988	960
Loss on sale of fixed assets	982	-	1.678	1.678
Other expenses and losses	4.200.789 *	1.205.495	1.117.472	644.764
	20.440.596	9.651.453	2.427.806	1.102.213

* TL 3.334.108 of the stated total comprises of the expenditures related to the culture center constructed in Yalova.

21. Financial Income

Financial income consists of the following (TL) :

	1 January 2009- 30 June 2009	1 April 2009- 30 June 2009	1 January 2008- 30 June 2008	1 April 2008- 30 June 2008
Foreign exchange gains	90.013.323	1.153.678	42.351.434	(2.345.663)
Rediscount interest income	4.932.570	(466.216)	6.613.899	785.199
Interest income	1.042.634	521.076	1.820.164	813.757
	95.988.527	1.208.538	50.785.497	(746.707)

22. Financial Expenses

Financial expenses consist of the following (TL) :

	1 January 2009- 30 June 2009	1 April 2009- 30 June 2009	1 January 2008- 30 June 2008	1 April 2008- 30 June 2008
Foreign exchange losses	93.971.442	30.045.933	30.694.766	4.909.036
Rediscount interest expenses	4.338.462	(1.356.782)	8.162.068	2.693.360
Short term borrowing expenses	1.922.214	527.555	1.893.799	887.129
	100.232.118	29.216.706	40.750.633	8.489.525

23. Tax Assets and Liabilities

a) Corporation Tax;

The corporation tax rate for 2009 is 20% in Turkey (31 December 2008 – 20%). This rate is applicable to the tax base derived upon exemptions and deductions stated in the tax legislation through addition of disallowable expenses to the commercial revenues of the companies with respect to the tax legislation.

Tax income and expenses recognized in the statement of comprehensive income are summarized in the following (TL):

	1 January 2009- 30 June 2009	1 April 2009- 30 June 2009	1 January 2008- 30 June 2008	1 April 2008- 30 June 2008
Current period Corporation Tax	(2.767.828)	2.744.379	(7.034.743)	(929.380)
Deferred tax income / (expense)	(1.091.488)	(2.065.445)	476.879	38.713
Total tax income / (expense)	(3.859.316)	678.934	(6.557.864)	(890.667)

Calculation of the corporation tax stated in the statement of comprehensive income is summarized in the following (TL):

	30 June 2009	31 December 2008	30 June 2008
Per statutory books	19.653.016	88.522.294	40.265.231
Disallowable expenses	4.063.675	6.905.176	6.749.772
Tax exempt income	(2.962.145)	(13.055.728)	(8.670.402)
Subsidiary earnings	(1.410.283)	(2.271.384)	(2.271.384)
R&D incentive used	(5.505.125)	(1.349.811)	(899.501)
Loss deduction	-	-	-
Sub total	13.839.138	78.750.547	35.173.716
Tax rate (%)	20	20	20
Tax provision (Note 13)	2.767.828	15.750.109	7.034.743

23. Tax Assets and Liabilities (continued)

b) Deferred Tax Assets and Liabilities;

Temporary differences creating a basis for deferred tax calculations and deferred tax assets/liabilities and deferred tax income/expenses are as follows (TL):

	Temporary Differences		Deferred Tax Asset/Liability	
	30 June 2009	31 December 2008	30 June 2009	31 December 2008
Adjustment of rediscount on receivables	1.893.990	2.699.002	378.798	539.800
Provision for termination indemnity	9.413.372	9.354.382	1.882.674	1.870.876
Provision for leaves	1.160.899	933.201	232.180	186.640
Inventory provision	-	1.416.879	-	283.376
Provision for litigation	53.247	300.521	10.649	60.104
Provision for contingent losses related to derivative instruments	707.172	2.059.724	141.434	411.945
Loan discount adjustment	(184.041)	25.607	(36.808)	5.121
Expense accrual	147.540	2.088	29.508	418
Transactions related to consolidation	306.666	209.109	61.333	41.822
Deferred tax asset	13.498.845	17.000.513	2.699.768	3.400.102
Net difference between the book values of tangible/intangible assets and their tax bases	(109.022.691)	(106.460.552)	(21.804.538)	(21.292.110)
Adjustment of rediscount on payables	(824.582)	(1.430.949)	(164.916)	(286.190)
Deferred tax liability	(109.847.273)	(107.891.501)	(21.969.454)	(21.578.300)
Deferred Tax Asset/(Liability), Net	(96.348.428)	(90.890.988)	(19.269.686)	(18.178.198)

Deferred Tax Income / (Expense) (TL):

	30 June 2009	30 June 2008
Current period deferred tax asset/(liability)	(19.269.686)	(16.785.472)
Reversal of prior period deferred tax (liability) / asset	18.178.198	17.262.351
Deferred tax income / (expense)	(1.091.488)	476.879

24. Earnings/(Loss) Per Share

Calculation of earnings/(loss) per share is as follows (TL):

	1 January 2009- 30 June 2009	1 April 2009- 30 June 2009	1 January 2008- 30 June 2008	1 April 2008- 30 June 2008
Profit / (loss) for the period (TL)	19.207.211	978.473	28.177.842	6.416.116
Weighted average number of ordinary shares	185.000.000	185.000.000	110.000.000	110.000.000
Weighted average number of revised ordinary shares *	185.000.000	185.000.000	185.000.000	185.000.000
Parent Company earnings per share (TL)	0,10	0,01	0,26	0,06
Parent Company earnings per diluted share (TL)	0,10	0,01	0,15	0,03

* Per share of TL 1 nominal value

25. Related Party Disclosures

Trade receivables from related parties consist of the following (TL) :

	30 June 2009	31 December 2008
Ak-Al Tekstil Sanayii A.Ş.	7.577.605	6.080.848
Aksu İplik Dokuma ve Boya Apre Fab. A.Ş.	197.492	2.593.565
Akiş Gayrimenkul Yatırımı A.Ş.	18	55
Akport Tekirdağ Liman İşletmeleri A.Ş.	38.946	34.647
Akmeltem Poliüretan Sanayi ve Ticaret A.Ş.	-	10.760
Aksa Egypt Acrylic Fiber Industry SAE	4.502.256	16.704.925
Rediscount on receivables (-)	(151.516)	(197.106)
Total (Note 7)	12.164.801	25.227.694

Non-trade receivables from related parties consist of the following (TL):

	30 June 2009	31 December 2008
Aksu İplik Dokuma ve Boya Apre Fab. A.Ş.*	8.404.076	12.929.738
Akport Tekirdağ Liman İşletmeleri A.Ş.*	3.060.200	-
Aksa Egypt Acrylic Fiber Industry SAE	8.199	8.104
Akmeltem Poliüretan Sanayi ve Ticaret A.Ş.*	4.192.031	4.609.104
Akkim Kimya San. ve Tic. A.Ş.	3.000	3.000
Other receivables from related parties	48.565	130.811
Total (Note 8)	15.716.071	17.680.757

* Includes export loan receivables utilized and transferred to group companies by the subsidiary Ak-Pa Tekstil İhracat Pazarlama A.Ş.

25. Related Party Disclosures (continued)

Trade payables to related parties consist of the following (TL) :

	30 June 2009	31 December 2008
Akkim Kimya San. ve Tic. A.Ş.	5.423.631	6.751.214
Akenerji Elektrik Üretim A.Ş.	12.576.038	9.055.200
Akkök Sanayi Yatırım ve Geliştirme A.Ş.	413.694	427.064
Aktek Bilgi İletişim Teknolojisi San. ve Tic. A.Ş.	540.173	250.090
Dinkal Sigorta Acenteliği A.Ş.	310.073	90.496
Ak Havacılık ve Ulaştırma Hizmetleri A.Ş.	44.998	190.767
Akmeltem Poliüretan Sanayi ve Ticaret A.Ş.	65.909	-
Akfil Tekstil San. ve Dış Tic.Ltd.Şti.	886	-
Ak-Han Bakım Yönt. Serv. Hizm. Güven. Malz. A.Ş.	238.555	182.035
Rediscount on payables (-)	(107.394)	-
Total (Note 7)	19.506.563	16.946.866

Non-trade payables to related parties consist of the following (TL) :

	30 June 2009	31 December 2008
Due to shareholders (Note 8)	309.923	2.810

25. Related Party Disclosures (continued)

Sales to related parties for the six month interim periods ended 30 June 2009 and 2008 consist of the following (TL) :

	1 January 2009- 30 June 2009	1 April 2009- 30 June 2009	1 January 2008- 30 June 2008	1 April 2008- 30 June 2008
Aksu İplik Dokuma ve Boya Apre Fabrikaları T.A.Ş.	504.417	153.819	1.666.193	1.026.070
Ak-Al Tekstil Sanayii A.Ş.	10.750.074	5.352.116	14.278.654	6.690.818
Akkök Sanayi Yatırım ve Geliştirme A.Ş.	140.798	76.032	106.928	49.373
Akkim Kimya San. ve Tic. A.Ş.	6.999.821	5.900.006	2.607.683	1.709.909
Akenerji Elektrik Üretim A.Ş.	1.200.138	429.788	1.914.072	1.249.429
Akport Tekirdağ Liman İşletmeleri A.Ş.	46.425	38.088	15.286	9.676
Ak-Han Bakım Yönt. Serv.Hizm. Güven. Malz. A.Ş.	4.800	1.948	5.192	4.740
Dinkal Sigorta Acenteliği A.Ş.	13.711	10.477	13.960	7.090
Akiş Gayrimenkul Yatırımı A.Ş.	278	105	21.987	11.787
Aktek Bilgi İletişim Teknolojisi San. ve Tic. A.Ş	17.784	9.975	38.338	33.238
Ak Havacılık ve Ulaştırma Hizmetleri A.Ş.	-	-	668	127
Akmerkez Lokantaclılık Gıda Sanayi ve Tic. A.Ş.	-	-	5.141	3.346
Akmeltem Poliüretan Sanayi ve Tic. A.Ş.	22.135	18.231	-	-
Other	27.346	16.655	72.321	20.566
	19.727.727	12.007.240	20.746.423	10.816.169

Sales to related parties consist of sales of goods and services and rent income.

25. Related Party Disclosures (continued)

Purchases from related parties for the six month interim periods ended 30 June 2009 and 2008 consist of the following (TL) :

	1 January 2009- 30 June 2009	1 April 2009- 30 June 2009	1 January 2008- 30 June 2008	1 April 2008- 30 June 2008
Ak-Han Bakım Yönt. Serv.Hizm. Güven. Malz. A.Ş.	296.543	150.565	348.445	192.598
Aksu İplik Dokuma ve Boya Apre Fabrikaları T.A.Ş.	3.590	3.590	92.734	28.414
Dinkal Sigorta Acenteliği A.Ş.	1.167.845	286.665	866.037	151.168
Akkim Kimya San. ve Tic. A.Ş.	28.871.565	16.361.251	31.223.540	15.583.102
Akkök Sanayi Yatırım ve Geliştirme A.Ş.	2.317.473	1.180.135	2.667.208	1.389.179
Ak Havacılık ve Ulaştırma Hizmetleri A.Ş.	208.603	74.831	655.796	305.544
Ak-Al Tekstil Sanayii A.Ş.	116.802	91.981	990.780	90.109
Aktek Bilgi İletişim Teknolojisi San. ve Tic. A.Ş.	2.106.636	1.040.998	1.041.888	994.432
Akmeltem Poliüretan Sanayi ve Ticaret A.Ş.	-	-	53.744	43.086
Akport Tekirdağ Liman İşletmeleri A.Ş.	-	-	2.207	2.207
Akenerji Elektrik Üretim A.Ş.	52.825.495	25.586.860	45.449.572	22.369.240
	87.914.552	44.776.876	83.391.951	41.149.079

The purchases from related parties consist of energy, chemicals, service acquisitions, consultancy and rent expenses.

As of 30 June 2009, guarantees received from related parties amount to TL 5.225.922 (31 December 2008 – TL 1.478.573).

As of 30 June 2009, remuneration provided to top executives such as the CEO and members of the Board of Directors amount to TL 2.527.596 (30 June 2008 – TL 2.119.226).

26. Nature and Extent of Risk Arising from Financial Instruments

For the purpose of determining, evaluating, and managing the risks incurred by the Company, a Risk Management and Follow-up System has been developed and approved by the Board of Directors.

Finance and Risk Management meetings chaired by the General Manager are held once a month for the purpose of effective implementation of risk management at the Company. Among the participants are the Board members with executive duties and the Directors of Finance and Sales/Marketing departments. At such meetings the Company's commercial and financial risks are evaluated as well as its financial performance.

The said financial risks consist of credit risk, liquidity risk, interest rate risk, and foreign currency risk.

i. Credit Risk

The credit risks of the Parent Company and its subsidiaries mainly originate from their trade receivables, other receivables, interest rate swap and forward exchange transactions. The Parent Company which has carried out its trade relations with its customers for several years has integrated in the risk management the information related to the sub-sector of the customer, rate of exports, export markets, and the history of customer's payment performance. The sales conditions on customer basis are mainly formed in the light of such information. Trade receivables risk is expected to be managed through various types of collaterals received from the customer. Such collaterals consist of bank guarantees, treasury bonds, mortgages, direct debiting system limits, letter of credit, Eximbank loan insurance, factoring limits and receiving the cheques of the clients of the customer for the purpose of risk distribution. The Company management makes provisions for doubtful receivables when deemed necessary. The Company does not foresee risks related to the Company's trade receivables in addition to the provisions made. The Parent Company has made foreign currency forward contracts for the purpose of hedging its net foreign currency assets against increase in the value of TL provided that such contracts do not exceed the limit of USD 20 million. The foreign exchange losses to arise from such transactions are calculated taking into account the foreign currency buying rate issued by the Turkish Central Bank as of the reporting date. The other receivables of the Parent Company and its subsidiaries mainly consist of VAT receivables. In order to realize cash reimbursement of these receivables, guarantee letters are given in favor of the tax offices.

26. Nature and Extent of Risk Arising from Financial Instruments (continued)

i. Credit Risk (continued)

The following table displays information regarding the terms overrun and warranty structure of the receivables and the cash and cash equivalents of the Parent Company and its subsidiaries as of 30 June 2009 (TL):

Current Period	Receivables						
	Trade Receivables		Other Receivables				
	Related Party	Other Party	Related Party	Other Party	Bank Deposits	Derivative Instruments	Other[1]
Maximum credit risk incurred as of 30 June 2009 (A+B+C+D+E) [2] (Notes 4, 7 and 8)	12.164.801	337.153.064	15.716.071	41.881.561	41.994.190	-	11.665.019
- Part of maximum risk taken under guarantee through collaterals[3]	5.225.922	160.166.471	-	-	-	-	591.587
A. Net book value of financial assets that are neither overdue nor impaired	11.839.899	304.733.696[4]	15.706.315	41.881.561	41.994.190	-	10.543.144[4]
B. Book value of financial assets whose conditions are revised, and which otherwise would be considered as overdue or impaired.	-	13.256.723	-	-	-	-	-
- Portion taken under guarantee through collaterals		11.195.861					
C. Net book value of overdue assets that are not impaired	324.902	19.162.645	9.756	-	-	-	1.121.875
- Portion taken under guarantee through collaterals	324.170	16.148.990	-	-	-	-	591.587
D. Net book values of impaired assets	-	-	-	-	-	-	-
- Overdue (gross book value) (Note 7)	-	2.247.869	-	-	-	-	-
- Impairment (-) (Note 7)	-	(2.247.869)	-	-	-	-	-
- Part of the net value taken under guarantee through collaterals	-	-	-	-	-	-	-
- Not overdue (gross book value)	-	-	-	-	-	-	-
- Impairment (-)	-	-	-	-	-	-	-
- Part of the net value taken under guarantee through collaterals	-	-	-	-	-	-	-
E. Elements involving unrecognized credit risk	-	-	-	-	-	-	-

[1] Consists of cash balances and cheques received as stated in the cash and cash equivalents.
[2] In determining the amount of credit risk to be incurred, factors that increase credit reliability, i.e. the guarantees received, are not taken into consideration.
[3] Consists of collaterals, guarantee letters received, customer cheques and notes, treasury bonds, direct debiting system limits, Eximbank limits, factoring limits, letter of credit, and mortgages.
[4] The cheques and notes in swap stated in trade receivables amount to TL 39.072, and the cheques and notes in swap stated as Other amount to TL 10.418.478.

26. Nature and Extent of Risk Arising from Financial Instruments (continued)

i. Credit Risk (continued)

The following table displays information regarding the terms overrun and warranty structure of the receivables and the cash and cash equivalents of the Parent Company and its subsidiaries as of 31 December 2008 (TL):

Current Period	Receivables				Bank Deposits	Derivative Instruments	Other[1]
	Trade Receivables		Other Receivables				
	Related Party	Other Party	Related Party	Other Party			
Maximum credit risk incurred as of 31 December 2008 (A+B+C+D+E)[2] (Notes 4,7 and 8)	25.227.694	371.536.167	17.680.757	27.676.875	43.545.402	-	20.038.153
- Part of maximum risk taken under guarantee through collaterals[3]	1.478.573	189.531.261	-	-	-	-	3.041.157
A. Net book value of financial assets that are neither overdue nor impaired	20.139.556	341.284.823[4]	17.671.001	27.676.875	43.545.402	-	1.300.314[4]
B. Book value of financial assets whose conditions are revised, and which otherwise would be considered as overdue or impaired.	-	-	-	-	-	-	-
- Portion taken under guarantee through collaterals	-	-	-	-	-	-	-
C. Net book value of overdue assets that are not impaired	5.088.138	30.251.344	9.756	-	-	-	18.737.839
- Portion taken under guarantee through collaterals	32.588	15.125.469	-	-	-	-	3.041.157
D. Net book values of impaired assets	-	-	-	-	-	-	-
- Overdue (gross book value) (Note 7)	-	2.247.869	-	-	-	-	-
- Impairment (-) (Note 7)	-	(2.247.869)	-	-	-	-	-
- Part of the net value taken under guarantee through collaterals	-	-	-	-	-	-	-
- Not overdue (gross book value)	-	-	-	-	-	-	-
- Impairment (-)	-	-	-	-	-	-	-
- Part of the net value taken under guarantee through collaterals	-	-	-	-	-	-	-
E. Elements involving unrecognized credit risk	-	-	-	-	-	-	-

1 Consists of cash balances and cheques received as stated in the cash and cash equivalents.
2 In determining the amount of credit risk to be incurred, factors that increase credit reliability, i.e. the guarantees received, are not taken into consideration.
3 Consists of collaterals, guarantee letters received, customer cheques and notes, treasury bonds, direct debiting system limits, Eximbank limits, factoring limits, letter of credit, and mortgages.
4 The cheques and notes in swap stated in trade receivables amount to TL 42.984, and the cheques and notes in swap stated as Other amount to TL 1.165.604.

26. Nature and Extent of Risk Arising from Financial Instruments (continued)

i. Credit Risk (continued)

As of 30 June 2009, aging of assets past due but not impaired is as follows (TL):

	Receivables		Other
	Trade Receivables	Other Receivables	(Cash and Cash Equivalents)
1-30 days overrun	11.024.953*	-	847.558
1-3 months overrun	2.244.501	-	196.405
3-12 months overrun	3.761.271	-	77.912
1-5 years overrun	2.456.822	9.756	-
More than 5 years overrun	-	-	-
Total	19.487.547	9.756	1.121.875**
Portion taken under guarantee through collaterals(-)	(16.473.160)	-	(591.587)

* A portion of TL 4.287.257 has been collected subsequent to the reporting date.

** As portion of TL 503.248 has been collected subsequent to the reporting date.

As of 31 December 2008, aging of assets past due but not impaired is as follows (TL):

	Receivables		Other
	Trade Receivables	Other Receivables	(Cash and Cash Equivalents)
1-30 days overrun	23.920.881	-	7.336.726
1-3 months overrun	6.059.948	-	11.401.113
3-12 months overrun	2.919.590	9.756	-
1-5 years overrun	2.439.063	-	-
More than 5 years overrun	-	-	-
Total	35.339.482	9.756	18.737.839
Portion taken under guarantee through collaterals(-)	(15.158.057)	-	(3.041.157)

26. Nature and Extent of Risk Arising from Financial Instruments (continued)

ii. Liquidity Risk

The Parent Company and its subsidiaries benefit from the weekly, monthly and yearly cash flow projections they have prepared during the course of liquidity risk management. For prompt fulfillment of the liabilities of the Parent Company and its subsidiaries, the maturity structure of the working capital is monitored in accordance with the requirements.

As of 30 June 2009, the external guarantee letters given by the Parent Company amount to USD 53.716.227 (31 December 2008 – USD 54.966.596) and those given as collateral for trade payables related to raw material purchases amount to USD 31.000.000 (31 December 2008 – USD 44.472.000). As of 30 June 2009 and 31 December 2008, the guarantee letters given to customs administrations amount to TL 7.240.149 and TL 9.263.902, respectively.

As of 30 June 2009 and 31 December 2008, the Company’s liquid assets (current assets – inventories) exceed its short term payables by TL 239.601.773 and TL 243.646.017, respectively.

There are no guarantees or mortgages given by the Parent Company and its subsidiaries in favor of third parties for loans and other financial liabilities.

26. Nature and Extent of Risk Arising from Financial Instruments (continued)

ii. Liquidity Risk (continued)

As of 30 June 2009, the maturity distribution of the financial liabilities of the Parent Company and its subsidiaries are as follows (TL):

Maturities per Contract	Book Value	Total Cash Outflows as per The Contract (I+II+III+IV)	Less than 3 months (I)	3-12 months (II)	1-5 years (III)	5 or more years (IV)
Non-derivative financial liabilities	271.426.523	283.776.335	116.734.937	24.150.238	142.891.160	-
Bank loans (Note 6)	232.348.468	244.240.256	77.198.858	24.150.238	142.891.160	-
Trade payables (Note 7)	39.078.055	39.536.079	39.536.079	-	-	-

Expected Maturities	Book Value	Total cash outflows on expected maturities (I+II+III+IV)	Less than 3 months (I)	3-12 months (II)	1-5 years (III)	5 or more years (IV)
Non-derivative financial liabilities	73.538.813	73.905.371	61.068.688	7.163.083	5.673.600	-
Trade payables (Note 7)	68.855.631	69.222.189	56.385.506	7.163.083	5.673.600	-
Other payables (Note 8)	4.683.182	4.683.182	4.683.182	-	-	-

Maturities per Contract	Book Value	Total cash outflows on expected maturities (I+II+III+IV)	Less than 3 months (I)	3-12 months (II)	1-5 years (III)	5 or more years (IV)
Derivative financial liabilities (net)	-	(5.915.525)	(1.072.741)	(756.121)	(4.086.663)	-
Derivative cash inflows *	-	11.175.253	5.723.696	850.280	4.601.277	-
Derivative cash outflows *	-	(17.090.778)	(6.796.437)	(1.606.401)	(8.687.940)	-

* The fair values of derivative operations are used in the calculation of derivative cash inflows and outflows. Estimated Libor interest rate at 30 June 2009 is taken into account in interest swap operations, and the foreign currency buying rate issued by the Turkish Central Bank on 30 June 2009 is used in forward transactions.

26. Nature and Extent of Risk Arising from Financial Instruments (continued)

ii. Liquidity Risk (continued)

As of 31 December 2008, the maturity distribution of the financial liabilities of the Parent Company and its subsidiaries are as follows (TL):

Maturities per Contract	Book Value	Total Cash Outflows as per The Contract (I+II+III+IV)	Less than 3 months (I)	3-12 months (II)	1-5 years (III)	5 or more years (IV)
Non-derivative financial liabilities	326.121.687	344.960.223	163.784.803	46.324.238	134.851.182	-
Bank loans (Note 6)	239.572.275	257.305.615	81.841.633	40.612.800	134.851.182	-
Trade payables (Note 7)	86.549.412	87.654.608	81.943.170	5.711.438	-	-

Expected Maturities	Book Value	Total cash outflows on expected maturities (I+II+III+IV)	Less than 3 months (I)	3-12 months (II)	1-5 years (III)	5 or more years (IV)
Non-derivative financial liabilities	27.861.061	28.186.814	28.186.814	-	-	-
Trade payables (Note 7)	24.567.691	24.893.444	24.893.444	-	-	-
Other payables (Note 8)	3.293.370	3.293.370	3.293.370	-	-	-

Maturities per Contract	Book Value	Total cash outflows on expected maturities (I+II+III+IV)	Less than 3 months (I)	3-12 months (II)	1-5 years (III)	5 or more years (IV)
Derivative financial liabilities (net)	-	(6.765.479)	(670.986)	(2.641.403)	(3.453.090)	-
Derivative cash inflows *	-	20.548.763	7.042.050	11.520.817	1.985.896	-
Derivative cash outflows *	-	(27.314.242)	(7.713.036)	(14.162.220)	(5.438.986)	-

* The fair values of derivative operations are used in the calculation of derivative cash inflows and outflows. Estimated Libor interest rate at 31 December 2008 is taken into account in interest swap operations, and the foreign currency buying rate issued by the Turkish Central Bank on 31 December 2008 is used in forward transactions.

26. Nature and Extent of Risk Arising from Financial Instruments (continued)

iii. Interest Rate Risk

Interest risk arises from the probable effect of changes in interest rates on the financial statements. Long term interest swap agreements have been made in order to avoid interest risk on long term investment loans used by the Parent Company. 6 months Libor rate is taken into account in the measurement of fair values of these transactions as of 30 June 2009. The swap transactions made by the Parent Company for hedging interest risk as of 30 June 2009 and 31 December 2008 are as follows:

Bank	Loan USD	Contract Date	Maturity	Interest Rate
Garanti Bankası A.Ş.	18.500.000	2 January 2008	15 December 2014	4,18%
Akbank T.A.Ş.	13.500.000	2 September 2008	15 December 2014	4,10%
Akbank T.A.Ş.	18.000.000	27 March 2008	15 December 2014	3,47%
Fortis Bank A.Ş.	18.970.000	16 April 2009	2 September 2014	2,50%
Fortis Bank A.Ş.	11.100.000	16 April 2009	2 September 2014	2,50%

The interest position as of 30 June 2009 and 31 December 2008 is set out in the table below (TL):

		30 June 2009	31 December 2008
Financial instruments with fixed interest			
Financial assets	Time deposits	34.335.477	36.684.594
Financial liabilities	Bank loans	115.678.359	114.745.899

		30 June 2009	31 December 2008
Financial instruments with variable interest			
Financial liabilities	Bank loans	115.426.008	124.826.376

As of 30 June 2009, if the variable interest rate on USD loans were higher / lower by 0,5% with all other variables remaining constant, the profit/(loss) before tax would have been lower/higher by TL 60.774 due to change in interest expenses (31 December 2008 – TL 22.623) and the total assets would have been higher/lower by TL 984.437 due to capitalized finance cost (31 December 2008 – TL 938.450).

iv. Foreign Currency Risk

The Company’s foreign currency balances arising from operating, investment and financial activities are disclosed below. Foreign currency risk is checked through continuous analysis of foreign currency receivables and payables. The net foreign currency surplus of the Parent Company and its subisidiaries as of 30 June 2009 amounts to TL 111.647.458 (31 December 2008 – TL 154.561.599 foreign currency surplus).

26. Nature and Extent of Risk Arising from Financial Instruments (continued)

iv. Foreign Currency Risk (continued)

The foreign currency position as of 30 June 2009 and 31 December 2008 is set out in the table below:

	30 June 2009							31 December 2008					
	TL Equivalent (Functional currency)	USD	Euro	SEK	GBP	CHF	JPY	TL Equivalent (Functional currency)	USD	Euro	SEK	GBP	CHF
1. Trade Receivables	308.617.978	181.054.096	14.712.891	-	-	-	-	365.552.177	221.255.836	14.455.800	-	-	-
2a. Monetary Financial Assets (including Cash and Banks)	42.320.522	26.867.508	556.304	1.883	6.272	-	-	49.713.134	31.838.179	724.093	1.883	6.272	-
2b. Non-monetary Financial Assets	7.755.859	4.965.479	70.998	-	-	4.098	-	7.765.786	5.089.372	32.291	-	-	-
3. Other	3.203.182	2.093.446	-	-	-	-	-	912.576	562.270	29.081	-	-	-
4. Current Assets (1+2+3)	361.897.541	214.980.529	15.340.193	1.883	6.272	4.098	-	423.943.673	258.745.657	15.241.265	1.883	6.272	-
5. Trade Receivables	14.314.087	9.355.001	-	-	-	-	-	13.115.765	8.672.727	-	-	-	-
6a. Monetary Financial Assets	-	-	-	-	-	-	-	-	-	-	-	-	-
6b. Non-monetary Financial Assets	28.665.937	18.572.121	29.279	-	71.071	-	400.000	27.979.910	16.681.319	1.285.852	-	-	-
7. Other	-	-	-	-	-	-	-	-	-	-	-	-	-
8. Non-current Assets (5+6+7)	42.980.024	27.927.122	29.279	-	71.071	-	400.000	41.095.675	25.354.046	1.285.852	-	-	-
9. Total Assets (4+8)	404.877.565	242.907.651	15.369.472	1.883	77.289	4.098	400.000	465.039.348	284.099.703	16.527.117	1.883	6.272	-
10. Trade Payables	78.541.293	47.828.110	2.496.078	-	-	480	-	88.452.490	58.413.541	53.107	-	-	-
11. Financial Liabilities	70.028.107	45.767.013	-	-	-	-	-	100.935.398	66.742.973	-	-	-	-
12a. Monetary Other Liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-
12b. Non-Monetary Other Liabilities	2.437.911	1.297.318	210.949	-	-	-	-	-	-	-	-	-	-
13. Short Term Liabilities (10+11+12)	151.007.311	94.892.441	2.707.027	-	-	480	-	189.387.888	125.156.514	53.107	-	-	-
14. Trade Payables	-	-	-	-	-	-	-	-	-	-	-	-	-
15. Financial Liabilities	142.222.795	92.950.000	-	-	-	-	-	121.089.861	80.070.000	-	-	-	-
16a. Monetary Other Liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-
16b. Non-Monetary Other Liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-
17. Long Term Liabilities (14+15+16)	142.222.795	92.950.000	-	-	-	-	-	121.089.861	80.070.000	-	-	-	-
18. Total Liabilities (13+17)	293.230.106	187.842.441	2.707.027	-	-	480	-	310.477.749	205.226.514	53.107	-	-	-
19. Net Asset / (Liability) Position of Unrecognized Derivative Instruments in Foreign Currency (19a-19b)	-	-	-	-	-	-	-	-	-	-	-	-	-
19a. Unrecognized derivative instruments in foreign currency of asset type	-	-	-	-	-	-	-	-	-	-	-	-	-
19b. Unrecognized derivative instruments in foreign currency of liability type	-	-	-	-	-	-	-	-	-	-	-	-	-
20. Net Foreign Currency Asset / (Liability) Position (9-18+19)	111.647.459	55.065.210	12.662.445	1.883	77.289	3.618	400.000	154.561.599	78.873.189	16.474.010	1.883	6.272	-
21. Monetary Items Net Foreign Currency Asset / (Liability) Position (IFRS 7.B23) (=1+2a+5+6a-10-11-12a-14-15-16a)	74.460.392	30.731.482	12.773.117	1.883	6.272	(480)	-	117.903.327	56.540.228	15.126.786	1.883	6.272	-
22. Total Fair Value of Financial Instruments used in Foreign Currency Hedging	(766.103)	-	-	-	-	-	-	(2.059.724)	-		-	-	-
23. Hedged Portion of Foreign Currency Assets	6.166.303	4.030.000	-	-	-	-	-	19.902.174	11.780.000	975.000	-	-	-
24. Hedged Portion of Foreign Currency Liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-
25. Exports*	172.545.980	107.491.966	-	-	-	-	-	356.984.739	279.212.067	-	-	-	-
26. Imports*	186.334.374	114.599.467	312.868	-	-	-	-	437.571.537	345.182.582	555.702	-	-	53.016

* Weighted average rates of exchange are taken as basis in translation of the import and export totals into Turkish Liras.

26. Nature and Extent of Risk Arising from Financial Instruments (continued)

iv. Foreign Currency Risk (continued)

Foreign currency sensitivity analysis as of 30 June 2009 is set out in the table below (TL):

	Profit/Loss		Equity	
	Value increase in foreign currency	Loss in value of foreign currency	Value increase in foreign currency	Loss in value of foreign currency
When USD changes by 10% against TL:				
1- Net Assets/Liabilities in USD	22.647.808	(22.647.808)	-	-
2- Portion prevented from USD risk (-)	(616.630)	616.630	-	-
3- USD Net Effect (1+2)	22.031.178	(22.031.178)	-	-
When EURO changes by 10% against TL:				
4- Net Assets/Liabilities in Euro	2.718.500	(2.718.500)	-	-
5- Portion prevented from Euro risk(-)	-	-	-	-
6- Euro Net Effect (4+5)	2.718.500	(2.718.500)	-	-
When other currencies change by 10% against TL:				
7- Net Assets/Liabilities in other currencies	20.717	(20.717)	-	-
8- Part prevented from other currency risks (-)	-	-	-	-
9-Net Effect of Assets in Other Currencies (7+8)	20.717	(20.717)	-	-
TOTAL (3+6+9)	24.770.395	(24.770.395)	-	-

As of 30 June 2009, if the currency of the USD loans used in financing investments gained/lost value by 10% against the Turkish Lira with all other variables remaining constant, the total assets would have beeen higher/lower by TL 14.222.280 due to the capitalized finance cost (31 December 2008 – TL 12.108.986).

26. Nature and Extent of Risk Arising from Financial Instruments (continued)

iv. Foreign Currency Risk (continued)

Foreign currency sensitivity analysis as of 31 December 2008 is set out in the table below (TL) :

	Profit/Loss		Equity	
	Value increase in foreign currency	Loss in value of foreign currency	Value increase in foreign currency	Loss in value of foreign currency
When USD changes by 10% against TL:				
1- Net Assets/Liabilities in USD	24.036.978	(24.036.978)	-	-
2- Portion prevented from USD risk (-)	(1.781.489)	1.781.489	-	-
3- USD Net Effect (1+2)	22.255.489	(22.255.489)	-	-
When EURO changes by 10% against TL:				
4- Net Assets/Liabilities in Euro	3.526.756	(3.526.756)	-	-
5- Portion prevented from Euro risk(-)	(208.728)	208.728	-	-
6- Euro Net Effect (4+5)	3.318.028	(3.318.028)	-	-
When other currencies change by 10% against TL:				
7- Net Assets/Liabilities in other currencies	1.412	(1.412)	-	-
8- Part prevented from other currency risks (-)	-	-	-	-
9-Net Effect of Assets in Other Currencies (7+8)	1.412	(1.412)	-	-
TOTAL (3+6+9)	25.574.929	(25.574.929)	-	-

27. Financial Instruments

The Parent Company and its subsidiaries assume that the registered values of the financial instruments represent their fair values. Fair value is the amount for which a financial instrument could be exchanged between two willing parties in an arm's length transaction. It is primarily considered the same as the quoted value of the financial instrument; however in case there is no quoted value, the purchase or sales value of an instrument is deemed to be the fair value of the financial instrument. The Parent Company and its subsidiaries' significant accounting policies related to financial instruments are disclosed in paragraph (a) "Financial Instruments" of Note 2 "Presentation of Financial Statements".

27. Financial Instruments (continued)

For hedging purposes against foreign currency risk, the Parent Company has made American knock out reverse participant forward transactions and the current value of the outstanding forward contract have been calculated as of 30 June 2009 by referring to internal pricing models and the unrealized foreign exchange losses amounting to TL 766.103 (Note 13) have been recognized in the statement of comprehensive income (31 December 2008 – TL 2.059.724). As of 30 June 2009 and 31 December 2008, the amount, maturity, calculated expense accruals of the forward contracts are as follows:

30 June 2009;

Maturity	Contract Date	Currency	Foreign Currency	Amount	Calculated Expense Accrual (TL)
1 July – 23 Sept. 2009	13 August 2008	1,3400 ≤ x	USD	310.000	(766.103)
		1,1400 ≤ x ≤1,3400		155.000	
		1,1400 ≥ x		Transaction annuled	
					(766.103)

31 December 2008;

Maturity	Contract Date	Currency	Foreign Currency	Amount	Calculated Expense Accrual (TL)
30 January - 30 March 2009	25 March 2008	2,1100 ≤ x	Euro	325.000	(30.030)
		1,7000 ≤ x ≤2,1100		162.500	
		1,7000 ≥ x		Transaction annuled	
7 January – 23 Sep. 2009	13 August 2008	1,3400 ≤ x	USD	310.000	(2.029.694)
		1,1400 ≤ x ≤1,3400		155.000	
		1,1400 ≥ x		Transaction annuled	
					(2.059.724)

28. Events After the Reporting Period

The termination indemnity upper limit which stood at TL 2.260,05 as of 30 June 2009 has been increased to TL 2.365,16 with effect from 1 July 2009 (31 December 2008 – TL 2.173,19).

29. Other Issues Materially Affecting the Financial Statements or Requiring Disclosure for a Proper Interpretation and Understanding of the Financial Statements

a) Insurance total on assets as of 30 June 2009 amounts to TL 8.951.154 and USD 213.639.160 (31 December 2008 – TL 24.482.948 and USD 240.746.823).

b) The writing of the Parent Company dated 30 April 2009 addressed to the Istanbul Stock Exchange is as follows:

"As previously disclosed to public, the cogeneration-type facility (Yalova Plant) of 70.004-MW power established in Yalova and operating with natural gas/naphtha, whose ownership belongs to Akenerji Elektrik Üretim A.Ş. by the production license dated 01.04.2005 Nr. EÜ-468- 6/529 granted by the Turkish Energy Market Regulatory Board has been transferred as per the transfer permission dated 24.10.2008 nr. 30500 of the Turkish Energy Market Regulatory Board and within the frame of the license approval decision dated 12.02.2009 nr. 4628/1157 and received by our company in its current operating condition retaining the subscribers of the existing busbar and in a manner free of any legal or actual encumbrances.

The transfer fee has been determined by the parties taking as basis the Valuation Report of TSKB Gayrimenkul Değerleme A.Ş dated 29.04.2009 as TL 12.608.000,00- (Twelve million six hundred and eight thousand Turkish Lira) plus VAT. 10% of the transfer fee amounting to TL 1.260.800,00- has been fully paid in cash on the transfer date 30.04.2009 to Akenerji Elektrik Üretim A.Ş. and the balancing portion of TL 11.347.200,00- will be paid as set out in the table below:

Maturity Date	Amount (TL)
6 months after the transfer date of the power plant (30.04.2009)	2.836.800
12 months after the transfer date of the power plant (30.04.2009)	2.836.800
18 months after the transfer date of the power plant (30.04.2009)	2.836.800
24 months after the transfer date of the power plant (30.04.2009)	2.836.800
Total	11.347.200

The Turkish Energy Market Regulatory Board has granted our Company the production license dated 22.04.2009 nr. EÜ/2070-6/1464 to operate in the field of electricity generation for a period of 49 years starting on 30.04.2009 in accordance with the Electricity Market Law Nr. 4628 and the related legislation."

29. Other Issues Materially Affecting the Financial Statements or Requiring Disclosure for a Proper Interpretation and Understanding of the Financial Statements (continued)

c) The writing of the Parent Company dated 30 June 2009 addressed to the Istanbul Stock Exchange is as follows:

"Subject: Action Filed Against the Partnership/Progress of the Action.

Filing Date	22/06/2009
Date of Notification to the Partnership/ Acknowledgement Date	29/06/2009
Title of the Action	Reversal of the decision of the Board of directors Nr. 12/06/2007/2007/32
Counter party(ies)	Selahattin Tunç Cecan
Total amount of the Action	-
The ratio of the total amount of action to the total assets stated in the latest financial statements (%)	-
Court	14. Commercial Court of First Instance
File Nr.	2009/459
Date of Hearing	07/10/2009
Court Decree	-
Date of Next Hearing	-
Provision made in the financial statements, if any	-
Effect on the operations of the partnership	-

Selahattin Tunç Cecan, a shareholder of our Company, has filed an action with the claim to determine the nullity of the decision of the Board of Directors dated 12.06.2007 nr. 2007/32 related to the sale of the shares of Akenerji Elektrik Üretim A.Ş., an enterprise owned by our Company, to Emniyet Ticaret ve Sanayi A.Ş. and Akkök Sanayi Yatırım ve Geliştirme A.Ş. due to failure to muster a quorum. The said action has been registered at the 14th Commercial Court of First Instance by File nr 2009/459 and the date / time of hearing is given as 07.10.2009 / 15:00 hrs."

d) Pursuant to the 2008 Ordinary General Meeting of Akpa Tekstil İhracat Pazarlama A.Ş. (a subsidiary) held on 14 April 2009, decision is made unanimously to distribute the entire total of distributable 2008 profit after all legal liabilities are deducted among shareholders in proportion to their shareholding rates latest by 31 December 2009.