

**TEKFEN HOLDİNG ANONİM ŞİRKETİ
AND ITS SUBSIDIARIES**

CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS
FOR THE NINE MONTH
INTERIM PERIOD
ENDED 30 SEPTEMBER 2013

(Translated into English from the report
originally issued in Turkish)

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TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

CONDENSED CONSOLIDATED BALANCE SHEET AS AT 30 SEPTEMBER 2013

(Amounts are expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

ASSETS	Notes	Unaudited 30 September 2013	Audited Restated (Note 3) 31 December 2012
Current Assets		3.175.789	2.967.237
Cash and cash equivalents	7	855.751	1.063.761
Trade receivables	8	850.032	619.409
- Related party receivables		15.956	10.244
- Trade receivables		834.076	609.165
Other receivables		2.732	5.238
- Related party receivables		-	-
- Other receivables		2.732	5.238
Inventories	9	578.621	426.271
Receivables from ongoing construction contracts	10	672.367	649.604
Prepaid expenses		61.049	55.260
Assets related with current tax		33.461	53.781
Other current assets		109.242	82.969
		<u>3.163.255</u>	<u>2.956.293</u>
Assets classified as held for sale		12.534	10.944
Non Current Assets		1.279.266	1.162.384
Financial investments		60.755	94.213
Trade receivables	8	69.886	120.182
- Related party receivables		-	-
- Trade receivables		69.886	120.182
Other receivables		6.816	6.819
- Related party receivables		-	-
- Other receivables		6.816	6.819
Investments valued by equity method	11	110.330	42.539
Investment property	12	79.257	92.825
Property, plant and equipment	12	830.559	748.505
Intangible assets	12	2.139	2.691
Prepaid expenses	4(c)	66.027	15.463
Deferred tax assets		18.383	15.237
Other non current assets		35.114	23.910
TOTAL ASSETS		<u>4.455.055</u>	<u>4.129.621</u>

The accompanying notes form an integral part of these condensed consolidated financial statements.
Translated into English from the report originally issued in Turkish.

TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

CONDENSED CONSOLIDATED BALANCE SHEET AS AT 30 SEPTEMBER 2013

(Amounts are expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

		Unaudited	Audited
	Notes	30 September	Restated
LIABILITIES		2013	(Note 3)
			31 December
			2012
Current Liabilities		2.242.726	1.822.073
Short term financial debts	13	591.756	275.241
Short term portion of long term financial debts		57.253	40.967
Trade payables	8	1.009.876	940.949
- Related party payables		233	834
- Trade payables		1.009.643	940.115
Employee benefit payables		35.449	23.457
Other payables		13.883	14.982
- Related party payables		-	-
- Other payables		13.883	14.982
Advances received		214.747	249.785
Deferred revenue		6.411	6.396
Current tax liability		27.968	60.461
Ongoing construction progress payments	10	209.220	172.375
Short term provisions	14	60.284	34.450
- Short term provisions attributable to employee benefits		29.782	25.389
- Other short term provisions		30.502	9.061
Other short term liabilities		15.879	3.010
Non Current Liabilities		217.793	196.283
Long term financial debts	13	105.229	112.789
Trade payables	8	14.014	9.357
Other payables		1.092	937
Long term provisions	14	44.462	42.233
- Long term provisions attributable to employee benefits		44.396	42.169
- Other long term provisions		66	64
Deferred tax liabilities		52.996	30.967
EQUITY	5	1.994.536	2.111.265
Equity Attributable To Owners Of The Parent		1.964.106	2.081.480
Paid in capital		370.000	370.000
Capital structure adjustment		3.475	3.475
Premiums in capital stock		300.984	300.984
Accumulated other comprehensive income or loss that will not be reclassified in profit or loss		2.187	-
- Gain/(loss) on revaluation and remeasurement		2.187	-
Accumulated other comprehensive income or loss that will be reclassified in profit or loss		178.926	165.543
- Currency translation reserve		136.433	91.270
- Gain/(loss) on revaluation and reclassification		42.493	74.273
Legal reserves		120.623	98.255
Retained earnings		982.053	843.918
Net profit for the period		5.858	299.305
Non-controlling Interests		30.430	29.785
TOTAL EQUITY AND LIABILITIES		4.455.055	4.129.621

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

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TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2013

(Amounts are expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

		Unaudited 1 January - 30 September 2013	Unaudited 1 July - 30 September 2013	Unaudited Restated (Note 3) 1 January - 30 September 2012	Unaudited Restated (Note 3) 1 July - 30 September 2012
	Notes				
Revenue		2.870.512	906.082	2.923.828	953.280
Cost of revenue (-)		(2.726.305)	(850.752)	(2.588.055)	(867.711)
GROSS PROFIT		144.207	55.330	335.773	85.569
General administrative expenses (-)		(81.983)	(25.784)	(72.772)	(22.220)
Marketing expenses (-)		(89.109)	(27.202)	(81.760)	(23.842)
Research and development expenses (-)		(243)	63	(101)	(40)
Other operating income	18	82.081	24.054	92.489	18.402
Other operating expenses (-)	18	(121.502)	(37.483)	(71.058)	(15.740)
Share on profit / loss of investments valued using equity method	11	25.901	14.238	12.399	4.100
OPERATING PROFIT / (LOSS)		(40.648)	3.216	214.970	46.229
Investment income	4(c)	56.435	122	7.573	167
Investment expense (-)		(5.827)	(4.377)	(1.361)	16
PROFIT / (LOSS) BEFORE FINANCIAL INCOME / (EXPENSE)		9.960	(1.039)	221.182	46.412
Financial income	19	116.344	36.802	83.604	18.456
Financial expense (-)	19	(74.026)	(22.961)	(64.540)	(14.215)
PROFIT BEFORE TAXATION		52.278	12.802	240.246	50.653
Tax expense		(45.967)	(12.690)	(42.309)	(2.818)
Tax expense for the period		(30.173)	(6.563)	(41.123)	(2.946)
Deferred tax expense		(14.865)	(5.810)	(1.495)	197
Currency translation reserve		(929)	(317)	309	(69)
PROFIT FOR THE PERIOD		6.311	112	197.937	47.835
Distribution of Profit For The Period					
Non-controlling interests		453	147	96	(789)
Owners of the parent		5.858	(35)	197.841	48.624
Earnings Per Share	17	0,016	-	0,535	0,131

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TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2013

(Amounts are expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

	Unaudited 1 January - 30 September 2013	Unaudited 1 July - 30 September 2013	- 1 January - 30 September 2012	Unaudited 1 July - 30 September 2012
PROFIT FOR THE PERIOD	6.311	112	197.937	47.835
OTHER COMPREHENSIVE INCOME / (EXPENSE):				
Items that will not be reclassified to profit or loss	2.187	252	-	-
Gain on revaluation of defined retirement benefit plans	2.734	315	-	-
Taxes based on other comprehensive income that will not be reclassified to profit or loss	(547)	(63)	-	-
<i>Deferred tax expense</i>	<i>(547)</i>	<i>(63)</i>	-	-
Items that may be reclassified to profit or loss	17.107	13.503	(15.016)	(8.755)
Gain / (loss) on revaluation of available for sale financial investments	(33.453)	(8.334)	7.178	(3.529)
Currency translation reserve differences	48.887	21.420	(24.708)	(6.611)
Share on other comprehensive income of investments valued using equity method	-	-	2.873	1.209
Taxes based on other comprehensive income that will be reclassified to profit or loss	1.673	417	(359)	176
<i>Deferred tax income / (expense)</i>	<i>1.673</i>	<i>417</i>	<i>(359)</i>	<i>176</i>
OTHER COMPREHENSIVE INCOME / (LOSS)	19.294	13.755	(15.016)	(8.755)
TOTAL COMPREHENSIVE INCOME	25.605	13.867	182.921	39.080
Distribution of Total Comprehensive Income / (Loss) For The Period				
Non-controlling interests	4.177	1.763	(1.779)	(1.524)
Owners of the parent	21.428	12.104	184.700	40.604

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TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2013

(Amounts are expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

	Paid in capital	Capital structure adjustment	Premiums in capital stock	Gain / (loss) on revaluation and remeasurement	Gain / (loss) on revaluation and reclassification	Currency translation reserve	Restricted profit reserves	Retained earnings	Net profit for the period	Equity attributable to owners of the parent	Non controlling interests	Total
Opening balances as of 1 January 2012	370.000	3.475	300.984	-	51.560	114.768	72.222	701.471	242.440	1.856.920	30.686	1.887.606
<i>Other comprehensive income</i>	-	-	-	-	9.692	(22.833)	-	-	-	(13.141)	(1.875)	(15.016)
<i>Net profit for the period</i>	-	-	-	-	-	-	-	-	197.841	197.841	96	197.937
Total comprehensive income	-	-	-	-	9.692	(22.833)	-	-	197.841	184.700	(1.779)	182.921
Transfers to retained earnings	-	-	-	-	-	-	-	242.440	(242.440)	-	-	-
Transfers to reserves from retained earnings	-	-	-	-	-	-	25.588	(25.588)	-	-	-	-
Payment of dividends	-	-	-	-	-	-	-	(75.047)	-	(75.047)	-	(75.047)
Balance as of 30 September 2012	370.000	3.475	300.984	-	61.252	91.935	97.810	843.276	197.841	1.966.573	28.907	1.995.480
Opening balances as of 1 January 2013	370.000	3.475	300.984	-	74.273	91.270	98.255	843.918	299.305	2.081.480	29.785	2.111.265
<i>Other comprehensive income</i>	-	-	-	-	(31.780)	45.163	-	-	-	13.383	3.724	17.107
<i>Actuarial gains on defined retirement benefit plans</i>	-	-	-	2.187	-	-	-	-	-	2.187	-	2.187
<i>Net profit for the period</i>	-	-	-	-	-	-	-	-	5.858	5.858	453	6.311
Total comprehensive income	-	-	-	2.187	(31.780)	45.163	-	-	5.858	21.428	4.177	25.605
Change in non-controlling interests	-	-	-	-	-	-	-	(527)	-	(527)	(3.532)	(4.059)
Transfers to retained earnings	-	-	-	-	-	-	-	299.305	(299.305)	-	-	-
Transfers to reserves from retained earnings	-	-	-	-	-	-	22.368	(22.368)	-	-	-	-
Payment of dividends	-	-	-	-	-	-	-	(138.275)	-	(138.275)	-	(138.275)
Balance as of 30 September 2013	370.000	3.475	300.984	2.187	42.493	136.433	120.623	982.053	5.858	1.964.106	30.430	1.994.536

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TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2013

(Amounts are expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

	Notes	Unaudited 1 January - 30 September 2013	Unaudited Restated 1 January - 30 September 2012
A. CASH FLOWS FROM OPERATING ACTIVITIES			
		(252.296)	100.214
Profit for the period		6.311	197.937
Adjustments to reconcile net profit		57.503	91.381
- Depreciation and amortization	12	60.199	68.039
- Impairment / reversed provision	9, 12	424	1.395
- Provision adjustments	8, 14	56.081	31.919
- Interest expense and income	19	(27.447)	(33.973)
- Difference between capital in kind and fair value	4(c)	(49.083)	-
- Loss on sale of associaton accounted by equity method	11	42	-
- Group's share on net assets of investments in associates accounted by equity method	11	(25.901)	(12.399)
- Dividend income		(6.285)	(4.881)
- Gain / Loss on fair valuation		4	(8)
- Allowance for taxation		45.967	42.309
- Gain / Loss on sale of fixed assets	12	3.502	(1.020)
Movements in working capital		(274.031)	(148.729)
- Changes in inventories	9	(137.108)	63.913
- Changes in trade receivables	8	(181.023)	(130.335)
- Changes in other assets		(36.740)	(107.034)
- Changes in receivables from ongoing construction contracts	10	(45.529)	(37.170)
- Changes in trade payables	8	96.350	38.689
- Changes in other liabilities		(6.826)	41.014
- Changes in receivables from ongoing construction progress payments	10	36.845	(17.806)
Cash generated by operating activities		(210.217)	140.589
Interest paid		(14.805)	(8.003)
Interest received		46.807	46.611
Tax paid / return		(42.346)	(49.042)
Penalty of litigation paid	14	(772)	(621)
Retirement pay provision and premiums paid	14	(23.138)	(22.674)
Unused vacation paid	14	(7.293)	(6.331)
Other provision paid	14	(532)	(315)

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TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2013

(Amounts are expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

	Notes	Unaudited 1 January - 30 September 2013	Restated 1 January - 30 September 2012
B. CASH FLOWS FROM INVESTING ACTIVITIES		(118.138)	(66.004)
Effect of investments in associates valued by equity method		-	(2.727)
Proceeds from sale of tangible and intangible assets	12	6.145	1.919
Acquisition of tangible and intangible assets	12	(90.650)	(69.940)
Advances and debts given		(50.727)	(137)
Proceeds from sale of association	11	6.126	-
Acquisition of non-controlling interests' shares	1	(4.059)	-
Dividend received		15.027	4.881
C. CASH FLOWS FROM FINANCING ACTIVITIES		86.328	(109.797)
Proceeds from borrowings		605.460	283.367
Repayments of borrowings		(347.841)	(290.666)
Payments of financial lease obligations		(33.016)	(27.451)
Dividend paid	5	(138.275)	(75.047)
CHANGE IN CASH AND CASH EQUIVALENTS BEFORE CURRENCY TRANSLATION RESERVE EFFECT		(284.106)	(75.587)
D. CURRENCY TRANSLATION RESERVE EFFECT ON CASH AND CASH EQUIVALENTS		76.096	(21.851)
NET INCREASE / DECREASE IN CASH AND CASH EQUIVALENTS		(208.010)	(97.438)
E. CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		1.063.761	769.198
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		855.751	671.760

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TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2013

(Amounts are expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

1. ORGANIZATION AND OPERATIONS OF THE GROUP

Majority shares of Tekfen Holding A.Ş. (“the Company”) are controlled by Akçağlılar, Berker and Gökyiğit families. The Company and its subsidiaries are referred as “the Group” in the accompanying condensed consolidated financial statements.

As of 30 September 2013, the Group has 15.956 employees (31 December 2012: 17.532) including the personnel of subcontractors. Registered address of the Company is Kültür Mahallesi, Aydınlık Sokak, Tekfen Sitesi A Blok, No: 7, Beşiktaş, İstanbul, Türkiye.

The Company shares are being publicly traded in Borsa İstanbul since 23 November 2007.

Changes in the subsidiaries and associates of the Company as of 30 September 2013:

Tekfen Gayrimenkul Yatırım A.Ş. (“Tekfen Gayrimenkul”), a subsidiary of the Company, makes capital contribution to Florya Gayrimenkul Yatırım İnşaat Turizm Sanayi ve Ticaret A.Ş. (“Florya Gayrimenkul”) with tangible assets in return for acquiring 50% equity interest by the way of partial split in the year, 2013. In accordance with the “Shareholding Agreement” signed on 27 March 2012 between the Group and Rönesans Gayrimenkul Yatırım A.Ş., Tekfen Rönesans Adi Ortaklığı, a partnership, in which the parties have equal shares, is established between the Group’s subsidiary Tekfen Emlak Geliştirme Yatırım ve Ticaret A.Ş. (“Tekfen Emlak”) and Rönesans Teknik İnşaat Sanayi ve Ticaret A.Ş., to undertake the real estate projects developed by Florya Gayrimenkul on 25 January 2013. Florya Gayrimenkul and Tekfen Rönesans Adi Ortaklığı are included in the accompanying condensed consolidated financial statements by equity method and proportional consolidation method, respectively and are presented under “Real Estate Group” in segmental reporting note.

The shares of Sümer Holding A.Ş. representing 20% of Türk Arap Gübre A.Ş.’s capital and whose nominal value amounting to 44, are acquired by Toros Tarım Sanayi ve Ticaret A.Ş. (“Toros Tarım”) with a consideration of 4.059 on 29 January 2013. The amount is paid on 12 February 2013.

Group has sold all its shares in Tekfen Oz Gayrimenkul Geliştirme A.Ş., the subsidiary of Group valued by equity method on 29 March 2013 (Note 11).

Approval of condensed consolidated financial statements:

The condensed consolidated financial statements are approved and published by the Board of Directors as of 7 November 2013.

2. BASIS OF PRESENTATION OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The Company and its subsidiaries registered in Turkey maintain their books of account and prepare their statutory financial statements in accordance with the accounting principles in line with the Turkish Commercial Code (“TCC”) and Tax Legislation. Subsidiaries those are registered in foreign countries maintain their books of account and prepare their statutory financial statements in accordance with the prevailing accounting principles in their registered countries.

The accompanying condensed consolidated financial statements have been prepared in accordance with the Communiqué Series II, 14.1 “Communiqué on the Principles of Financial Reporting In Capital Markets” (“the Communiqué”) announced by the Capital Markets Board (“CMB”) on 13 June 2013 which is published on Official Gazette numbered 28676. Turkish Accounting Standards/Turkish Financial Reporting Standards and additions and interpretations regarding these standards as adopted by the Public Oversight Accounting and Auditing Standards Authority (“POA”) are predicated on in accordance with article 5th of the Communiqué.

Additionally, the financial statements and notes are presented in accordance with the formats complying with CMB’s announcement dated 7 June 2013.

TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2013

(Amounts are expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

2. BASIS OF PRESENTATION OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

CMB allows the publicly-traded companies to present the financial statements in full set or condensed presentation in accordance with TAS 34 "Interim Financial Reporting" standard. The Group has preferred to disclose its interim consolidated financial statements as of 30 September 2013 in condensed format. The descriptions and disclosures which are needed in the financial statements prepared annually complying with TAS/IFRS are summarized appropriately in accordance with TAS 34 or not mentioned.

The accompanying condensed consolidated financial statements have to be considered with the consolidated financial statements which are independently audited as of 31 December 2012 and the related disclosures. Interim periods' financial statements cannot be the sole indicator of the year-end results by themselves.

The Group continues to apply the same accounting policies and accounting estimate methods which are mentioned in the consolidated financial statements as of 31 December 2012.

Exchange rates used in the consolidation process as of 30 September 2013 are; 1 USD= 2,0342 TL, 1 EUR= 2,7484 TL, 1 MAD= 0,2468 TL, 1 SAR= 0,54245 TL, 1 QAR= 0,55731 TL (Exchange rates as of 31 December 2012 are; 1 USD= 1,7826 TL, 1 EUR= 2,3517 TL, 1 MAD= 0,21187 TL, 1 SAR= 0,47536 TL, 1 QAR= 0,48838 TL).

3. ADOPTION OF NEW AND REVISED STANDARDS

The following new and revised standards and interpretations are presented below.

(a) Amendments in IFRSs affecting the notes and amounts in the financial statements

- TAS 1 (amendments), "Presentation of Items of Other Comprehensive Income", will be effective for annual periods beginning on or after 1 July 2012.
- TAS 1 (amendments), "Presentation of Financial Statements", amendments issued as a part of Annual Improvements 2009-2011 Cycle published in May 2012, will be effective for annual periods beginning on or after 1 January 2013.
- IFRS 10, "Consolidated Financial Statements", will be effective for annual periods beginning on or after 1 January 2013.
- IFRS 11, "Joint Arrangements", will be effective for annual periods beginning on or after 1 January 2013.
- IFRS 12, "Disclosure of Interests in Other Entities", will be effective for annual periods beginning on or after 1 January 2013.
- IFRS 13, "Fair Value Measurement", will be effective for annual periods beginning on or after 1 January 2013.
- TAS 27 (revised), "Separate Financial Statements", will be effective for annual periods beginning on or after 1 January 2013.
- TAS 28 (revised), "Investments in Associates and Joint Ventures", will be effective for annual periods beginning on or after 1 January 2013.
- TAS 19 (amendments), "Employee Benefits", will be effective for annual periods beginning on or after 1 January 2013.
- TAS 16 (amendments), "Property, Plant and Equipment", will be effective for annual periods beginning on or after 1 January 2013.
- TAS 34 (amendments), "Interim Financial Reporting", will be effective for annual periods beginning on or after 1 January 2013.

The effects of the amendments in IFRS 11, "Joint Arrangements" are presented in detailed in "d" clause by restating the consolidated balance sheet as at 31 December 2012 and condensed consolidated statement of profit or loss for the nine month interim period ended 30 September 2012.

The amendments to TAS 19 "Employee Benefits" change the accounting for defined benefit plans and termination benefits. The amendments require all actuarial gains and losses to be recognized immediately through other comprehensive income in order for the net pension asset or liability recognized in the condensed consolidated balance sheet to reflect the full value of the plan deficit or surplus.

Group has applied the amendment in TAS 19 and recognized all actuarial gains and losses, which are included in employee benefit item of condensed consolidated balance sheet, in other comprehensive income. Group has assessed the effect of the amendments in TAS 19 for the financial statements for the period ended 31 December 2012 and has decided not to restate prior year financial statements due to the immateriality of calculated after taxation effects.

TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2013

(Amounts are expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

3. ADOPTION OF NEW AND REVISED STANDARDS (cont'd)

(a) Amendments in TFRSs affecting the notes and amounts in the financial statements (cont'd):

Other standards and interpretations are not thought to be prone to cause any material changes on Group's condensed consolidated financial statements.

(b) Standards and interpretations and amendments to existing standards that are effective as of 1 January 2013, but not affecting the financial statements of the Group:

- TFRIC 20, "Stripping Costs in the Production Phase of a Surface Mine", will be effective for annual periods beginning on or after 1 January 2013.
- TFRS 7 (amendments), "Disclosures: Offsetting Financial Assets and Financial Liabilities", will be effective for annual periods beginning on or after 1 January 2013.
- TAS 32 (amendments), "Financial Instruments: Presentation", will be effective for annual periods beginning on or after 1 January 2013.

(c) Standards and interpretations and amendments to existing standards that are issued but not yet effective and have not been early adopted by the Group:

- TAS 32 (amendments), "Offsetting Financial Assets and Financial Liabilities", will be effective for annual periods beginning on or after 1 January 2014.
- TFRIC 21, "Levies", will be effective for annual periods beginning on or after 1 January 2014.
- TAS 36 (amendments), "Recoverable Amount Disclosures for Non-Financial Assets", will be effective for annual periods beginning on or after 1 January 2014.
- TAS 39 (amendments), "Novation of Derivatives and Continuation of Hedge Accounting", will be effective for annual periods beginning on or after 1 January 2014.
- TFRS 10, TFRS 11 and TMS 27 (amendments), "Investment Entities", will be effective for annual periods beginning on or after 1 January 2014.
- TFRS 9, "Financial Instruments", will be effective for annual periods beginning on or after 1 January 2015.
- TFRS 9 and TFRS 7 (amendments), "Mandatory Effective Date of TFRS 9 and Transition Disclosures", will be effective for annual periods beginning on or after 1 January 2015.

(d) The effect of restating the financial statements due to applying TFRS 11 "Joint Arrangements" and the formats complying with CMB's announcement dated 7 June 2013:

Group has restated condensed consolidated financial statements in accordance with the formats complying with CMB's announcement dated 7 June 2013 and made some reclassifications.

Additionally, Group has applied TFRS 11 "Joint Arrangements" standard effective as of 1 January 2013 retrospectively beginning from 1 January 2012 while preparing condensed consolidated financial statements as of 30 September 2013 and presented its financial statements with one year comparative information as permitted by the standard. Azfen Birge Müessesesi operating in Azerbaijan, in which Group has 40% of ownership, and Hishtil Toros Fidecilik San. ve Tic. A.Ş. operating in Turkey, in which Group has 50% of ownership, were included in consolidated financial statements as of 31 December 2012 by proportional consolidation method. Consequent to the assessment made by the Group, these companies are included in condensed consolidated financial statements by equity method effective as of 1 January 2013.

The effects of changes in the formats of financial statements announced by CMB on 7 June 2013 and the amendments in TFRS 11 on the audited consolidated balance sheet as at 31 December 2012 and unaudited condensed consolidated statement of profit or loss for the nine month interim period ended 30 September 2012 are presented below.

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(Amounts are expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

3. ADOPTION OF NEW AND REVISED STANDARDS (cont'd)

(d) The effect of restating the financial statements due to applying TFRS 11 "Joint Arrangements" and the formats complying with CMB's announcement dated 7 June 2013 (cont'd):

	Audited 31 December 2012	Derecognize previous effect	Consolidation per EQ pickup effect	Reclassifications made due to the announcement by CMB on 7 June 2013	Audited Restated 31 December 2012
ASSETS					
Current Assets	2.977.883	(56.358)	-	45.712	2.967.237
Cash and cash equivalents	1.084.315	(20.554)	-	-	1.063.761
Trade receivables	636.172	(19.362)	-	2.599	619.409
- <i>Related party receivables</i>	9.274	970	-	-	10.244
- <i>Trade receivables</i>	626.898	(20.332)	-	2.599	609.165
Other receivables	13.944	(6.107)	-	(2.599)	5.238
- <i>Related party receivables</i>	-	-	-	-	-
- <i>Other receivables</i>	13.944	(6.107)	-	(2.599)	5.238
Inventories	433.467	(7.196)	-	-	426.271
Receivables from ongoing construction contracts	651.273	(1.669)	-	-	649.604
Prepaid expenses	-	-	-	55.260	55.260
Assets related with current tax	-	-	-	53.781	53.781
Other current assets	147.768	(1.470)	-	(63.329)	82.969
	2.966.939	(56.358)	-	45.712	2.956.293
Assets classified as held for sale	10.944	-	-	-	10.944
Non Current Assets	1.155.329	(16.294)	23.349	-	1.162.384
Financial investments	94.213	4.603	(4.603)	-	94.213
Trade receivables	120.182	-	-	-	120.182
- <i>Related party receivables</i>	-	-	-	-	-
- <i>Trade receivables</i>	120.182	-	-	-	120.182
Other receivables	6.819	-	-	-	6.819
- <i>Related party receivables</i>	-	-	-	-	-
- <i>Other receivables</i>	6.819	-	-	-	6.819
Investments valued by equity method	14.587	-	27.952	-	42.539
Investment property	92.825	-	-	-	92.825
Property, plant and equipment	765.309	(16.804)	-	-	748.505
Intangible assets	2.726	(35)	-	-	2.691
Prepaid expenses	-	-	-	15.463	15.463
Deferred tax assets	19.280	(4.043)	-	-	15.237
Other non current assets	39.388	(15)	-	(15.463)	23.910
TOTAL ASSETS	4.133.212	(72.652)	23.349	45.712	4.129.621

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(Amounts are expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

3. ADOPTION OF NEW AND REVISED STANDARDS (cont'd)

(d) The effect of restating the financial statements due to applying TFRS 11 "Joint Arrangements" and the formats complying with CMB's announcement dated 7 June 2013 (cont'd):

LIABILITIES	Audited 31 December 2012	Derecognize previous effect	Consolidation per EQ pickup effect	Reclassifications made due to the announcement by CMB on 7 June 2013	Audited Restated 31 December 2012
Current Liabilities	1.824.300	(47.939)	-	45.712	1.822.073
Short term financial debts	320.824	(4.616)	-	(40.967)	275.241
Short term portion of long term financial debts	-	-	-	40.967	40.967
Trade payables	915.742	(9.689)	-	34.896	940.949
- Related party payables	829	5	-	-	834
- Trade payables	914.913	(9.694)	-	34.896	940.115
Employee benefit payables	-	-	-	23.457	23.457
Other payables	56.557	(946)	-	(40.629)	14.982
- Related party payables	-	-	-	-	-
- Other payables	56.557	(946)	-	(40.629)	14.982
Advances received	-	-	-	249.785	249.785
Deferred revenue	-	-	-	6.396	6.396
Current tax liability	17.093	(2.344)	-	45.712	60.461
Ongoing construction progress payments	191.856	(19.481)	-	-	172.375
Short term provisions	54.545	(2.371)	-	(17.724)	34.450
- Short term provisions attributable to employee benefits	45.446	(2.354)	-	(17.703)	25.389
- Other short term provisions	9.099	(17)	-	(21)	9.061
Other short term liabilities	267.683	(8.492)	-	(256.181)	3.010
Non Current Liabilities	197.647	(1.364)	-	-	196.283
Long term financial debts	113.989	(1.200)	-	-	112.789
Trade payables	9.357	-	-	-	9.357
Other payables	1.001	-	-	(64)	937
Long term provisions	42.333	(164)	-	64	42.233
- Long term provisions attributable to employee benefits	42.333	(164)	-	-	42.169
- Other long term provisions	-	-	-	64	64
Deferred tax liabilities	30.967	-	-	-	30.967
EQUITY	2.111.265	(23.349)	23.349	-	2.111.265
Equity Attributable To Owners Of The Parent	2.081.480	(23.349)	23.349	-	2.081.480
Paid in capital	370.000	-	-	-	370.000
Capital structure adjustment	3.475	-	-	-	3.475
Premiums in capital stock	300.984	-	-	-	300.984
Accumulated other comprehensive income or loss that will not be reclassified in profit or loss	-	-	-	-	-
- Gain/loss on revaluation and remeasurement	-	-	-	-	-
Accumulated other comprehensive income or loss that will be reclassified in profit or loss	165.543	78	(78)	-	165.543
- Currency translation reserve	91.270	78	(78)	-	91.270
- Gain/loss on revaluation and reclassification	74.273	-	-	-	74.273
Restricted profit reserves	98.255	(194)	194	-	98.255
Retained earnings	843.918	(6.815)	6.815	-	843.918
Net profit for the period	299.305	(16.418)	16.418	-	299.305
Non-controlling Interests	29.785	-	-	-	29.785
TOTAL EQUITY AND LIABILITIES	4.133.212	(72.652)	23.349	45.712	4.129.621

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(Amounts are expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

3. ADOPTION OF NEW AND REVISED STANDARDS (cont’d)

(d) The effect of restating the financial statements due to applying TFRS 11 “Joint Arrangements” and the formats complying with CMB’s announcement dated 7 June 2013 (cont’d):

	Unaudited 1 January- 30 September 2012	Derecognize previous effect	Consolidation per EQ pickup effect	Reclassifications made due to the announcement by CMB on 7 June 2013	Unaudited Restated 1 January- 30 September 2012
Revenue	3.009.055	(85.227)	-	-	2.923.828
Cost of revenue (-)	(2.661.845)	73.790	-	-	(2.588.055)
GROSS PROFIT / (LOSS)	347.210	(11.437)	-	-	335.773
General administrative expenses (-)	(77.316)	2.147	-	2.397	(72.772)
Marketing expenses (-)	(83.261)	1.501	-	-	(81.760)
Research and development expenses (-)	(101)	-	-	-	(101)
Other operating income	13.667	(159)	-	78.981	92.489
Other operating expenses (-)	(12.690)	268	-	(58.636)	(71.058)
Share on profit / loss of investments valued using equity method	6.873	-	5.526	-	12.399
OPERATING PROFIT / (LOSS)	194.382	(7.680)	5.526	22.742	214.970
Investment income	-	-	-	7.573	7.573
Investment expense (-)	-	-	-	(1.361)	(1.361)
PROFIT / (LOSS) BEFORE FINANCIAL INCOME / (EXPENSE)	194.382	(7.680)	5.526	28.954	221.182
Financial income	170.276	(118)	-	(86.554)	83.604
Financial expense (-)	(122.968)	828	-	57.600	(64.540)
PROFIT / (LOSS) BEFORE TAXATION	241.690	(6.970)	5.526	-	240.246
Tax expense	(43.753)	1.444	-	-	(42.309)
Tax expense for the period	(45.682)	4.559	-	-	(41.123)
Deferred tax expense	1.620	(3.115)	-	-	(1.495)
Currency translation reserve	309	-	-	-	309
PROFIT / (LOSS) FOR THE PERIOD	197.937	(5.526)	5.526	-	197.937

Grants and contributions, which are not related to the core business of the Group, amounting to 2.397 presented under “General administrative expenses” in the condensed consolidated statement of profit or loss for the nine month interim period ended 30 September 2012 is reclassified to “Other operating expenses”.

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NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2013

(Amounts are expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

4. EVENTS AND TRANSACTIONS MATERIALLY AFFECTING CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(a) Developments in Libya

Tekfen-TML J.V., a joint venture of which 67% is owned by the Group, had to suspend its operations and evacuate its sites in Libya for an uncertain period of time due to the civil unrest in the country. As of 30 September 2013, the negotiations are continuing to be held about the outlook of the operations and the accompanying condensed consolidated financial statements include total assets of 210.037 (USD 103.253 thousand), total debt of 47.354 (USD 23.279 thousand), resulting a net asset of 162.683 (USD 79.974 thousand) (31 December 2012: asset:185.749 (USD 104.201 thousand), debt: 42.777 (USD 23.997 thousand), net asset: 142.972 (USD 80.204 thousand)).

Additionally, letters of guarantees given related to such projects to various institutions amount to 33.029 (USD 16.237 thousand). In accordance with the Council of Ministers’ decree no: 2011/2001 issued on 21 June 2011 and until a new resolution replaces resolutions no:1970 and 1973 of the United Nations Security Council and their requirements, resolution no:1973 requires disregarding compensation claims of guarantees given to the contractor, hence the expired letter of guarantees do not bear any risk exposure for the Group.

(b) New construction projects

Tekfen İnşaat ve Tesisat A.Ş. (“Tekfen İnşaat”), a subsidiary of the Company, has signed an agreement with State Oil Company of Azerbaijan (SOCAR) for construction works of Baku Olympic Stadium with a capacity of 68 thousand. The project size is approximately 1.301.888 (USD 640 million) and be completed in March 2015. As of balance sheet date, the completion rate of this project is 34%.

Tekfen İnşaat, has received a letter of intent from BTC Turkey for the repair, reinforcement and development works on the Turkey section of Baku-Tiflis-Ceyhan (BTC) Pipeline in various scopes. The project size is approximately 276.651 (USD 136 million) with a duration of 36 months.

(c) Other

Tekfen Gayrimenkul, a subsidiary of the Company, makes capital contribution to Florya Gayrimenkul with tangible assets amounting to 12.477 in return for acquiring 50% equity interest by the way of partial split in the year, 2013. The fair value of these tangible assets is 61.560 according to the valuation carried out by independent expert accredited by Capital Market Board. The difference between the fair value and the cost value of the tangible assets amounting to 49.083 is presented under “Investment income” at the accompanying condensed consolidated financial statements.

As of 30 September 2013, the amount of advances given to various suppliers for the investment which will be made by Toros Tarım, a subsidiary of the Company subject to full consolidation, is 66.026 and this amount is presented under “Long term prepaid expenses” at the accompanying condensed consolidated financial statements (31 December 2012: 15.299). Concerning the investment undertaken, Investment Incentive Certificate is obtained as of 3 April 2013 in the scheme of “Large Scale Investment” from Republic of Turkey Ministry of Economy. According to this incentive, Toros Tarım will have right to deduct 35% of the total investment amount from the corporate tax base within the Law numbered 5520 article 32/A.

Tekfen Emlak, a subsidiary of the Company, acquired a land with a value of TL 90 million for the purpose of developing real estate project predominantly consisting of residential estate. The land is recognized under “Inventories” at the accompanying condensed consolidated financial statements.

The net loss of Contracting segment for the nine month period ended 30 September 2013 is 115.190. This loss is due to unexpected project changes of two projects of Contracting segment and additional costs related to these changes and the labor and general expenses arising from the extension of the duration of the projects. The compensation for these expenses is claimed from the authorities and negotiations are continuing.

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5. SIGNIFICANT CHANGES IN EQUITY

Gain/(Loss) on Revaluation and Reclassification:

The negative change of 31.780 in the fair values of the financial investments of the Group, which have been traded in the stock exchange market, has been directly recognized in equity (30 September 2012: positive change of 6.819). In the current period, there is not any income recognized as gain on revaluation and reclassification from investments of the Group valued by equity method (30 September 2012: 2.873 gain).

Restricted Profit Reserves:

In accordance with the resolutions taken during the Ordinary General Assemblies of Group companies as of 30 September 2013, 22.368 of restricted reserves were transferred from retained earnings in the condensed consolidated financial statements (30 September 2012: 25.588).

Profit Distribution:

Upon the decision taken in the Ordinary General Assembly held on 7 May 2013, gross cash dividends per share of 0,36 TL (2012: 0,19) has been decided to be distributed to shareholders attributable to the operations for the year 2012. Profit shares of 132.220 (2012: 70.167) and 6.055 (2012: 4.880) in the aggregate 138.275 (2012: 75.047) were distributed to owners of the parent and Tekfen Eğitim Sağlık Kültür Sanat ve Doğal Varlıkları Koruma Vakfı which holds redeemed share, respectively on 14 May 2013.

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6. SEGMENTAL REPORTING

a) Segmental results

	1 January - 30 September 2013					
	Contracting	Agriculture	Real Estate	Other	Eliminations	Total
Revenue	1.747.379	1.050.277	22.577	50.279	-	2.870.512
<i>Intra-segment revenue</i>	70.708	15.319	178	137	(86.342)	-
<i>Inter-segment revenue</i>	19	867	302	4.905	(6.093)	-
REVENUE	1.818.106	1.066.463	23.057	55.321	(92.435)	2.870.512
Cost of revenue (-)	(1.798.732)	(874.875)	(19.770)	(32.928)	-	(2.726.305)
GROSS PROFIT / (LOSS)	(51.353)	175.402	2.807	17.351	-	144.207
General administrative expenses (-)	(44.053)	(15.269)	(3.127)	(19.534)	-	(81.983)
Marketing expenses (-)	(939)	(81.842)	(86)	(6.242)	-	(89.109)
Research and development expenses (-)	-	(243)	-	-	-	(243)
Other operating income	42.925	35.531	1.197	2.428	-	82.081
Other operating expenses (-)	(36.840)	(81.410)	(417)	(2.835)	-	(121.502)
Share on profit / loss of investments valued using equity method	24.333	1.472	69	27	-	25.901
OPERATING PROFIT / (LOSS)	(65.927)	33.641	443	(8.805)	-	(40.648)
Investment income	976	480	8	54.971	-	56.435
Investment expense (-)	(4.561)	(1.214)	-	(52)	-	(5.827)
PROFIT / (LOSS) BEFORE FINANCIAL INCOME / (EXPENSE)	(69.512)	32.907	451	46.114	-	9.960
Financial income	17.323	14.466	805	83.750	-	116.344
Financial expense (-)	(39.108)	(7.641)	(2.312)	(24.965)	-	(74.026)
PROFIT / (LOSS) BEFORE TAXATION	(91.297)	39.732	(1.056)	104.899	-	52.278
Tax expense	(23.893)	(6.533)	261	(15.802)	-	(45.967)
PROFIT / (LOSS) FOR THE PERIOD	(115.190)	33.199	(795)	89.097	-	6.311

The Group has 52.790 of revenue and 21.586 of operating income from terminal operations classified under agricultural operations for the period of 1 January - 30 September 2013.

Translated into English from the report originally issued in Turkish.

TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

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(Amounts are expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

6. SEGMENTAL REPORTING (cont'd)

a) Segmental results (cont'd)

	1 July - 30 September 2013					
	Contracting	Agriculture	Real Estate	Other	Eliminations	Total
Revenue	599.823	285.908	5.735	14.616	-	906.082
<i>Intra-segment revenue</i>	29.522	5.015	61	46	(34.644)	-
<i>Inter-segment revenue</i>	1	185	102	1.648	(1.936)	-
REVENUE	629.346	291.108	5.898	16.310	(36.580)	906.082
Cost of revenue (-)	(589.954)	(245.567)	(5.363)	(9.868)	-	(850.752)
GROSS PROFIT	9.869	40.341	372	4.748	-	55.330
General administrative expenses (-)	(14.569)	(4.177)	(972)	(6.066)	-	(25.784)
Marketing expenses (-)	(286)	(24.787)	-	(2.129)	-	(27.202)
Research and development expenses (-)	-	63	-	-	-	63
Other operating income	12.358	10.909	135	652	-	24.054
Other operating expenses (-)	(9.731)	(27.047)	(5)	(700)	-	(37.483)
Share on profit / loss of investments valued using equity method	13.176	925	137	-	-	14.238
OPERATING PROFIT / (LOSS)	10.817	(3.773)	(333)	(3.495)	-	3.216
Investment income	88	26	8	-	-	122
Investment expense (-)	(4.367)	-	-	(10)	-	(4.377)
PROFIT / (LOSS) BEFORE FINANCIAL INCOME / (EXPENSE)	6.538	(3.747)	(325)	(3.505)	-	(1.039)
Financial income	5.146	4.037	96	27.523	-	36.802
Financial expense (-)	(14.080)	(2.054)	(15)	(6.812)	-	(22.961)
PROFIT / (LOSS) BEFORE TAXATION	(2.396)	(1.764)	(244)	17.206	-	12.802
Tax expense	(9.282)	1.658	88	(5.154)	-	(12.690)
PROFIT / (LOSS) FOR THE PERIOD	(11.678)	(106)	(156)	12.052	-	112

The Group has 19.751 of revenue and 8.832 of operating income from terminal operations classified under agricultural operations for the period of 1 July - 30 September 2013.

Translated into English from the report originally issued in Turkish.

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(Amounts are expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

6. SEGMENTAL REPORTING (cont'd)

a) Segmental results (cont'd)

	1 January - 30 September 2012					
	Contracting	Agriculture	Real Estate	Other	Eliminations	Total
Revenue	1.740.249	1.066.855	58.631	58.093	-	2.923.828
<i>Intra-segment revenue</i>	94.729	12.868	15	143	(107.755)	-
<i>Inter-segment revenue</i>	192	979	273	4.867	(6.311)	-
REVENUE	1.835.170	1.080.702	58.919	63.103	(114.066)	2.923.828
Cost of revenue (-)	(1.611.132)	(884.407)	(55.074)	(37.442)	-	(2.588.055)
GROSS PROFIT	129.117	182.448	3.557	20.651	-	335.773
General administrative expenses (-)	(40.607)	(12.123)	(2.749)	(17.293)	-	(72.772)
Marketing expenses (-)	(567)	(73.960)	(146)	(7.087)	-	(81.760)
Research and development expenses (-)	-	(101)	-	-	-	(101)
Other operating income	35.856	53.697	2.354	582	-	92.489
Other operating expenses (-)	(30.824)	(38.581)	(642)	(1.011)	-	(71.058)
Share on profit / loss of investments valued using equity method	5.308	218	-	6.873	-	12.399
OPERATING PROFIT	98.283	111.598	2.374	2.715	-	214.970
Investment income	955	565	-	6.053	-	7.573
Investment expense (-)	(1.355)	-	-	(6)	-	(1.361)
PROFIT BEFORE FINANCIAL INCOME / (EXPENSE)	97.883	112.163	2.374	8.762	-	221.182
Financial income	17.242	18.300	1.109	46.953	-	83.604
Financial expense (-)	(29.967)	(16.595)	(1.016)	(16.962)	-	(64.540)
PROFIT BEFORE TAXATION	85.158	113.868	2.467	38.753	-	240.246
Tax expense	(10.767)	(21.546)	(496)	(9.500)	-	(42.309)
PROFIT FOR THE PERIOD	74.391	92.322	1.971	29.253	-	197.937

The Group has 46.530 of revenue and 14.776 of operating income from terminal operations classified under agricultural operations for the period of 1 January - 30 September 2012.

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6. SEGMENTAL REPORTING (cont'd)

a) Segmental results (cont'd)

	1 July - 30 September 2012					
	Contracting	Agriculture	Real Estate	Other	Eliminations	Total
Revenue	617.843	268.663	47.704	19.070	-	953.280
<i>Intra-segment revenue</i>	18.604	4.328	7	48	(22.987)	-
<i>Inter-segment revenue</i>	32	193	95	1.630	(1.950)	-
REVENUE	636.479	273.184	47.806	20.748	(24.937)	953.280
Cost of revenue (-)	(577.155)	(232.703)	(45.427)	(12.426)	-	(867.711)
GROSS PROFIT	40.688	35.960	2.277	6.644	-	85.569
General administrative expenses (-)	(13.192)	(2.840)	(750)	(5.438)	-	(22.220)
Marketing expenses (-)	(160)	(21.467)	(46)	(2.169)	-	(23.842)
Research and development expenses (-)	-	(40)	-	-	-	(40)
Other operating income	7.409	10.039	602	352	-	18.402
Other operating expenses (-)	(6.685)	(8.434)	(274)	(347)	-	(15.740)
Share on profit / loss of investments valued using equity method	2.427	129	-	1.544	-	4.100
OPERATING PROFIT	30.487	13.347	1.809	586	-	46.229
Investment income	18	150	-	(1)	-	167
Investment expense (-)	16	-	-	-	-	16
PROFIT BEFORE FINANCIAL INCOME / (EXPENSE)	30.521	13.497	1.809	585	-	46.412
Financial income	1.838	2.289	142	14.187	-	18.456
Financial expense (-)	(7.033)	(2.324)	(30)	(4.828)	-	(14.215)
PROFIT BEFORE TAXATION	25.326	13.462	1.921	9.944	-	50.653
Tax expense	2.625	(2.320)	(410)	(2.713)	-	(2.818)
PROFIT FOR THE PERIOD	27.951	11.142	1.511	7.231	-	47.835

The Group has 16.959 of revenue and 4.765 of operating income from terminal operations classified under agricultural operations for the period of 1 July - 30 September 2012.

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6. SEGMENTAL REPORTING (cont'd)

b) As of 30 September 2013 and 31 December 2012 segmental assets and liabilities are as follows:

Balance sheet	30 September 2013				
	Contracting	Agriculture	Real Estate	Other	Total
Total assets	2.231.390	1.079.188	118.825	1.025.652	4.455.055
Current and non-current liabilities	1.801.305	457.797	92.350	109.067	2.460.519
Equity attributable to owners of the parent	247.894	422.984	20.323	1.272.905	1.964.106
Non-controlling interests	30.167	114	-	149	30.430

Balance sheet	31 December 2012				
	Contracting	Agriculture	Real Estate	Other	Total
Total assets	1.997.138	988.350	26.203	1.117.930	4.129.621
Current and non-current liabilities	1.526.032	368.716	4.437	119.171	2.018.356
Equity attributable to owners of the parent	357.666	391.804	21.420	1.310.590	2.081.480
Non-controlling interests	26.006	3.662	-	117	29.785

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6. SEGMENTAL REPORTING (cont'd)

c) Segmental information related to property, plant and equipment, intangible assets and investment property for the nine month interim periods ended 30 September 2013 and 2012 is as follows:

	1 January - 30 September 2013				
	Contracting	Agriculture	Real Estate	Other	Total
Capital expenditures (*)	18.941	77.653	317	600	97.511
Depreciation and amortization expense for the period (**)	45.479	10.815	207	3.698	60.199
	1 July - 30 September 2013				
	Contracting	Agriculture	Real Estate	Other	Total
Capital expenditures (*)	5.571	37.869	49	28	43.517
Depreciation and amortization expense for the period	16.714	3.884	71	1.231	21.900
	1 January - 30 September 2012				
	Contracting	Agriculture	Real Estate	Other	Total
Capital expenditures (*)	121.785	23.002	258	312	145.357
Depreciation and amortization expense for the period (**)	53.776	10.094	231	3.938	68.039
	1 July - 30 September 2012				
	Contracting	Agriculture	Real Estate	Other	Total
Capital expenditures (*)	20.665	12.190	-	8	32.863
Depreciation and amortization expense for the period	19.362	3.541	100	1.375	24.378

(*) Fixed assets purchases through financial lease are also included (2013: 6.861, 2012: 75.417).

(**) Depreciation expense of 1.900 is capitalized within the cost of inventory (30 September 2012: 1.477).

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6. SEGMENTAL REPORTING (cont'd)

d) Geographical segmental information is as follows:

	Turkey	CIS	Northern Africa	Middle Eastern Countries	Other	Eliminations	Total
Revenue (1 January - 30 September 2013)	1.653.858	673.617	242.439	389.288	3.745	(92.435)	2.870.512
Total assets (30 September 2013)	4.961.183	1.683.529	404.607	705.518	73.770	(3.373.552)	4.455.055
Capital expenditures (1 January - 30 September 2013) (*)	89.721	1.300	80	6.410	-	-	97.511
	Turkey	CIS	Northern Africa	Middle Eastern Countries	Other	Eliminations	Total
Revenue (1 July - 30 September 2013)	498.807	268.550	73.270	100.114	1.921	(36.580)	906.082
Capital expenditures (1 July - 30 September 2013) (*)	38.027	522	2	4.966	-	-	43.517
	Turkey	CIS	Northern Africa	Middle Eastern Countries	Other	Eliminations	Total
Revenue (1 January - 30 September 2012)	1.580.661	548.962	463.266	429.697	15.308	(114.066)	2.923.828
Total assets (31 December 2012)	4.335.266	1.311.515	405.175	667.840	70.686	(2.660.861)	4.129.621
Capital expenditures (1 January - 30 September 2012) (*)	128.060	12.232	3.718	1.013	334	-	145.357
	Turkey	CIS	Northern Africa	Middle Eastern Countries	Other	Eliminations	Total
Revenue (1 July - 30 September 2012)	477.176	165.328	193.455	137.487	4.771	(24.937)	953.280
Capital expenditures (1 July - 30 September 2012) (*)	30.448	1.443	127	845	-	-	32.863

(*) Fixed assets purchases through financial lease are also included (2013: 6.861, 2012: 75.417).

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7. CASH AND CASH EQUIVALENTS

Time deposits with maturity of three months or less constitute the part of the cash and cash equivalents amounting to 774.259 (31 December 2012: 965.927). Demand deposits and other cash equivalents with maturity of three months or less constitute the rest of the cash and cash equivalents.

8. TRADE RECEIVABLES AND PAYABLES

a) Trade Receivables:

As at balance sheet date, details of trade receivables of the Group are as follows:

	30 September 2013	31 December 2012
Short term trade receivables		
Contract receivables	533.773	416.424
Receivables from Agriculture group operations	169.451	128.577
Receivables from Real Estate group operations	1.296	1.346
Other trade receivables	28.677	28.045
Provision for doubtful receivables	(17.707)	(17.090)
Retention receivables (Note: 10)	115.327	47.730
Due from related parties	15.956	10.244
Other	3.259	4.133
	<u>850.032</u>	<u>619.409</u>
Long term trade receivables		
Retention receivables (Note: 10)	69.886	120.182
	<u>69.886</u>	<u>120.182</u>

Post dated cheques amounting to 115.169 (31 December 2012: 109.593), notes receivables amounting to 80 (31 December 2012: 42), foreign currency differences amounting to 871 (31 December 2012: 170), and due date differences amounting to 87 (31 December 2012: 58) are included in short and long term trade receivables.

Average maturity date for trade receivables varies between the segments. Average maturity date for Contracting segment, for projects in abroad is 88 days (31 December 2012: 73 days), for domestic projects is 44 days (31 December 2012: 36 days), for Agriculture segment is 38 days (31 December 2012: 34 days), for Real Estate segment is 30 days (31 December 2012: 20 days), and for other segments is 89 days (31 December 2012: 73 days).

The movement of the Group's provision for doubtful trade receivables is as follows:

	2013	2012
Provision as at 1 January	(17.090)	(11.536)
Charge for the year	(423)	(422)
Collected	79	881
Currency translation effect	(273)	91
Provision as at 30 September	<u>(17.707)</u>	<u>(10.986)</u>

423 of doubtful receivable charge for the period has been charged to general administration expenses (2012: 422).

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8. TRADE RECEIVABLES AND PAYABLES (cont’d)

b) Trade Payables:

As at balance sheet date, details of trade payables of the Group are as follows:

	30 September 2013	31 December 2012
Short term trade payables		
Contract payables	561.609	637.696
Trade payables from Agriculture group operations	395.031	269.705
Trade payables from Real Estate group operations	16.228	1.247
Due to related parties	233	834
Retention payables (Note: 10)	22.965	19.692
Other trade payables	13.810	11.775
	<u>1.009.876</u>	<u>940.949</u>
	30 September 2013	31 December 2012
Long term trade payables		
Retention payables (Note: 10)	13.932	9.267
Contract payables	82	90
	<u>14.014</u>	<u>9.357</u>

Notes payables amounting to 12.588 (31 December 2012: 18.861), post dated cheques amounting to 185 (31 December 2012: None), and foreign currency differences amounting to 63.400 (31 December 2012: 13.815) are included in short and long term trade payables.

For Agriculture Group, payables attributable to inventory supplied through imports constitute 95% (31 December 2012: 95%) of trade payables as at balance sheet date and average payable period for these import purchases is 132 days (31 December 2012: 134 days) whereas average payable period for domestic purchases is 30 days (31 December 2012: 30 days).

For Contracting segment, import purchases through letter of credit constitute 8% (31 December 2012: 23%) of trade payables as at balance sheet date. The average payable period for these import purchases is 62 days (31 December 2012: 111 days) whereas the average payable period for other purchases is 76 days (31 December 2012: 97 days).

The average payable period for Real Estate segment is 45 days (31 December 2012: 11 days).

For the other operations of the Group, the average payable period is 52 days (31 December 2012: 50 days).

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9. INVENTORIES

	30 September 2013	31 December 2012
Raw materials	32.991	46.932
Work in progress	99.755	105.171
Finished goods	81.215	48.991
Trading goods	26.956	50.516
Goods in transit	70.590	52.308
Inventory from real estate projects	101.351	5.970
Inventory at construction sites	132.711	86.731
Other inventories	33.292	30.635
Allowance for impairment on inventory (-)	(240)	(983)
	<u>578.621</u>	<u>426.271</u>

During the nine month interim period ended 30 September 2013, borrowing costs capitalized in inventory amount to 484 (31 December 2012: None). The rate used to determine the amount of borrowing costs eligible for capitalization is 7,63%.

<u>Movement of allowance for impairment of inventory</u>	<u>2013</u>	<u>2012</u>
Provision as of 1 January	(983)	(1.027)
Charge for the period	(235)	(23)
Currency translation effect	(44)	57
Provision released	1.022	-
Provision as of 30 September	<u>(240)</u>	<u>(993)</u>

Group has identified some inventories whose net realizable value is less than its current cost. Accordingly, the amount of 235 (30 September 2012: 23) has been determined as provision for allowance for impairment on inventory and included in cost of revenue. As of 30 September 2013, total amount of the inventory shown at net realizable value is 369 (30 September 2012: 1.020).

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10. CONSTRUCTION CONTRACTS

	30 September 2013	31 December 2012
Cost incurred on uncompleted contracts	6.958.594	5.978.983
Recognised gain less losses (net)	503.601	531.133
	<u>7.462.195</u>	<u>6.510.116</u>
Less: Billings to date (-)	(6.999.048)	(6.032.887)
	<u>463.147</u>	<u>477.229</u>

Costs and billings incurred on uncompleted contracts in condensed consolidated financial statements are as follows:

	30 September 2013	31 December 2012
From customers under construction contracts	672.367	649.604
To customers under construction contracts	(209.220)	(172.375)
	<u>463.147</u>	<u>477.229</u>

	30 September 2013	31 December 2012
<u>Receivables from uncompleted contracts</u>		
Contracts undersigned abroad	644.315	614.002
Contracts undersigned in Turkey	28.052	35.602
	<u>672.367</u>	<u>649.604</u>
<u>Payables to uncompleted contracts</u>		
Contracts undersigned abroad	(173.140)	(62.240)
Contracts undersigned in Turkey	(36.080)	(110.135)
	<u>(209.220)</u>	<u>(172.375)</u>
	<u>463.147</u>	<u>477.229</u>

The Group has 44.495 of advances given to subcontractors and other suppliers for construction projects classified in short term prepaid expenses (31 December 2012: 34.968). Also, the Group has 130.139 of advances received for contracting projects classified in advances received (31 December 2012: 206.547).

As of 30 September 2013, the Group has 36.897 of retention payables to subcontractors (31 December 2012: 28.959). Also, the amount of retention receivables is 185.213 (31 December 2012: 167.912) (Note: 8).

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11. INVESTMENTS VALUED BY EQUITY METHOD

Associates	Location of foundation and operation	Share in capital (%)		Power to appoint	Industry
		30 September 2013	31 December 2012		
H-T Fidecilik	Turkey	50,00 %	50,00 %	50,00 %	Agriculture
Azfen	Azerbaijan	40,00 %	40,00 %	40,00 %	Construction
Blacksea Gübre	Turkey	30,00 %	30,00 %	30,00 %	Fertilizer Trade
Florya Gayrimenkul	Turkey	50,00 %	50,00 %	50,00 %	Real Estate
Tekfen Oz (*)	Turkey	-	16,40 %	50,00 %	Real Estate

(*) Group has sold all its shares in Tekfen Oz, the subsidiary of Group valued by equity method, to Omurga Konya Gayrimenkul Yatırım A.Ş. on 29 March 2013. As of date of the sale, financial statements of Tekfen Oz include total assets of 61.111, total liabilities of 23.502 resulting a net asset of 37.609. Group's share in the net assets is 6.168. The loss on sale of associate is calculated as 42. The Group's share on Tekfen Oz's profit until the date of sale is 27.

Details of Group's associates' condensed financial information are as follows:

Financial Position	30 September 2013			Group's share in net assets of subsidiaries
	Total assets	Total liabilities	Net assets	
H-T Fidecilik	29.018	16.775	12.243	6.121
Azfen	168.163	63.017	105.146	42.057
Black Sea Gübre	23.173	20.761	2.412	723
Florya Gayrimenkul	125.443	2.584	122.859	61.429
Tekfen Oz	-	-	-	-
	<u>345.797</u>	<u>103.137</u>	<u>242.660</u>	<u>110.330</u>
Financial Position	31 December 2012			Group's share in net assets of subsidiaries
	Total assets	Total liabilities	Net assets	
H-T Fidecilik	28.445	18.195	10.250	5.125
Azfen	160.018	102.950	57.068	22.827
Black Sea Gübre	3.850	3.029	821	246
Florya Gayrimenkul	-	-	-	-
Tekfen Oz	88.953	1.510	87.443	14.341
	<u>281.266</u>	<u>125.684</u>	<u>155.582</u>	<u>42.539</u>

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11. INVESTMENTS VALUED BY EQUITY METHOD (cont'd)

1 January - 30 September 2013			
	Revenue	Profit / (loss) for the year	Group's share on subsidiaries' profit/loss for the year
H-T Fidecilik	22.069	1.990	995
Azfen	254.019	60.833	24.333
Black Sea Gübre	85.700	1.591	477
Florya Gayrimenkul	-	138	69
Tekfen Oz	801	166	27
	<u>362.589</u>	<u>64.718</u>	<u>25.901</u>
1 July - 30 September 2013			
	Revenue	Profit / (loss) for the year	Group's share on subsidiaries' profit/loss for the year
H-T Fidecilik	9.070	1.572	786
Azfen	96.110	32.940	13.176
Black Sea Gübre	37.334	463	139
Florya Gayrimenkul	-	275	137
Tekfen Oz	-	-	-
	<u>142.514</u>	<u>35.250</u>	<u>14.238</u>
1 January - 30 September 2012			
	Revenue	Profit / (loss) for the year	Group's share on subsidiaries' profit/loss for the year
H-T Fidecilik	25.905	435	218
Azfen	184.063	13.271	5.308
Tekfen Oz	93.588	(226)	(37)
Eurobank Tekfen	437.480	23.616	6.910
	<u>741.036</u>	<u>37.096</u>	<u>12.399</u>
1 July - 30 September 2012			
	Revenue	Profit / (loss) for the year	Group's share on subsidiaries' profit/loss for the year
H-T Fidecilik	9.399	257	129
Azfen	60.565	6.068	2.427
Tekfen Oz	1.687	(82)	(13)
Eurobank Tekfen	127.024	5.321	1.557
	<u>198.675</u>	<u>11.564</u>	<u>4.100</u>

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12. PROPERTY, PLANT AND EQUIPMENT, INTANGIBLE ASSETS AND INVESTMENT PROPERTY

	Property, plant and equipment	Intangible assets	Investment property
Cost Value			
Opening balance as of 1 January 2013	2.015.079	16.692	119.291
Currency translation effect	142.003	1.538	517
Additions	96.099	983	429
Disposals	(25.725)	(80)	-
Allowance for impairment	-	(1.211)	-
Transfers as capital in kind	-	-	(15.191)
Transfers	(611)	611	-
Closing balance as of 30 September 2013	<u>2.226.845</u>	<u>18.533</u>	<u>105.046</u>
Accumulated Depreciation and Amortization			
Opening balance as of 1 January 2013	(1.266.574)	(14.001)	(26.466)
Currency translation effect	(86.836)	(1.365)	-
Charge for the period	(58.955)	(1.107)	(2.037)
Disposals	16.079	79	-
Transfers as capital in kind	-	-	2.714
Closing balance as of 30 September 2013	<u>(1.396.286)</u>	<u>(16.394)</u>	<u>(25.789)</u>
Carrying value as of 30 September 2013	<u>830.559</u>	<u>2.139</u>	<u>79.257</u>
	Property, plant and equipment	Intangible assets	Investment property
Cost Value			
Opening balance as of 1 January 2012	1.928.643	15.679	118.553
Currency translation effect	(53.525)	(547)	(204)
Additions	144.110	1.247	-
Disposals	(22.736)	(23)	-
Transfers	(1.262)	-	-
Closing balance as of 30 September 2012	<u>1.995.230</u>	<u>16.356</u>	<u>118.349</u>
Accumulated Depreciation and Amortization			
Opening balance as of 1 January 2012	(1.250.482)	(13.761)	(23.485)
Currency translation effect	29.096	531	-
Charge for the period	(66.691)	(603)	(2.222)
Allowance for impairment	(731)	-	-
Disposals	21.837	23	-
Transfers	602	-	-
Closing balance as of 30 September 2012	<u>(1.266.369)</u>	<u>(13.810)</u>	<u>(25.707)</u>
Carrying value as of 30 September 2012	<u>728.861</u>	<u>2.546</u>	<u>92.642</u>

Property, plant and equipment includes fixed assets with carrying value of 155.305 purchased through financial lease (30 September 2012: 136.722). This property, plant and equipment purchased through financial lease consists of various prefabricated buildings, machinery, equipment and vehicles employed in construction sites. During the current period, property, plant and equipment purchases through financial lease amount to 6.861 (30 September 2012: 75.417).

The fair value of the Group's investment property has been arrived based on a valuation carried out by independent expertise not connected with the Group which is one of the accredited independent valuers by Capital Market Board. Valuation work is concluded with regard to the market purchase and sale prices of similar properties. The fair value of the investment properties as of 30 September 2013 is 344.522 (30 September 2012: 387.499) according to the valuation carried out by independent expert.

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13. SHORT AND LONG TERM FINANCIAL DEBTS

The Company's bank loans, utilized to finance its working capital flow are reclassified as long term whose maturities passed 30 September 2014 according to their opening dates. Annual weighted average interest rate of the existing short term loans in terms of US Dollars is 3,50% (31 December 2012: 4,89%). Annual weighted average interest rate of the existing long term loans in terms of US Dollars is 4,07% (31 December 2012: 2,57%).

14. SHORT AND LONG TERM PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

	30 September 2013	31 December 2012
Short term provisions	60.284	34.450
Long term provisions	44.462	42.233
Total provisions	104.746	76.683
Retirement pay provision	48.360	42.581
Unused vacation pay liability provision	16.732	13.223
Premium provision	9.086	11.754
Total provisions attributable to employee benefits	74.178	67.558
Provision for litigation	7.999	8.248
Other liability provisions	22.569	877
Total other provisions	30.568	9.125
Total provisions	104.746	76.683

	Retirement Pay Provision	Premium Provision	Unused vacation pay liability provision	Total provisions attributable to employee benefits
Opening balance as of 1 January 2013	42.581	11.754	13.223	67.558
Currency translation effect	3.051	487	1.383	4.921
Charge for the period	16.258	8.723	9.419	34.400
Interest expense	358	-	-	358
Provision paid	(11.260)	(11.878)	(7.293)	(30.431)
Actuarial gain	(2.628)	-	-	(2.628)
Closing balance as of 30 September 2013	48.360	9.086	16.732	74.178
Opening balance as of 1 January 2012	39.984	11.332	9.058	60.374
Currency translation effect	(1.115)	(7)	(318)	(1.440)
Charge for the period	12.349	8.429	9.923	30.701
Interest expense	649	-	-	649
Provision paid	(11.245)	(11.429)	(6.331)	(29.005)
Closing balance as of 30 September 2012	40.622	8.325	12.332	61.279

The amount payable to employee calculated by one month salary is limited to a maximum 3.254 TL (31 December 2012: 3.129) as of 30 September 2013.

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14. SHORT AND LONG TERM PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (cont'd)

	Provision for litigation	Other liability provisions	Total Other Provisions
Opening balance as of 1 January 2013	8.248	877	9.125
Currency translation effect	2	1.845	1.847
Charge for the period	547	20.379	20.926
Provision paid	(772)	(532)	(1.304)
Provision released	(26)	-	(26)
Closing balance as of 30 September 2013	<u>7.999</u>	<u>22.569</u>	<u>30.568</u>
Opening balance as of 1 January 2012	8.273	730	9.003
Currency translation effect	(167)	(15)	(182)
Charge for the period	561	876	1.437
Provision paid	(621)	(315)	(936)
Provision released	(411)	(71)	(482)
Closing balance as of 30 September 2012	<u>7.635</u>	<u>1.205</u>	<u>8.840</u>

Litigations:

As of 30 September 2013, lawsuit filed against the Group is totally 91.438 (31 December 2012: 74.504) and it has been decided to accrue 7.999 (31 December 2012: 8.248) of provision for lawsuits that might have high probability of potential outflow from the Group upon the consultation of legal advisors. Based on the legal advice of lawyers, no significant risks is foreseen regarding of lawsuit filed against the Group.

Toros Tarım Samsun Fertilizer Facility

As explained in the notes of audited consolidated financial statements as of 31 December 2012, Toros Tarım has acquired all of the public shares of Samsun Gübre Sanayii A.Ş. from the Privatization Administration on 4 July 2005. Following the issuance of the Article 2/B of the Forest Law in April 2012, restraints on some parcels transferred from Samsun Gübre Sanayi A.Ş. have become futile. Accordingly, revised construction plans with different scales and application zoning plans have been prepared by Samsun Metropolitan Municipality (Municipality). Upon the rejection of appeal for each construction plans, Toros Tarım has filed an annulment action against Municipality at Samsun 1. Administrative Court. Since the effect of Planning Partnership Interest prescribed at the Application Zoning Plan is considered to break the integrity of the facility; Toros Tarım has not been granted the operating license and Municipality Committee has announced enforcement on 5 February 2013 regarding the shutdown of the facility. Aforementioned transaction was not exercised upon interim suspension of the execution by the Administrative Court. The court will reconsider the act of suspension of execution after the response of the Municipality. On the other hand, the process within the construction plans of the parcels including the facility prepared ex officio by Ministry of Environment and Urbanization continues in favor of the Group based on the opinion of legal advisors. Management estimates that at the end of the processes mentioned above operating license transactions will result in favor of the Group.

Other:

21.277 of provision is recognized for the possible expenses of contracting group which may occur in the future under "Other liability provisions".

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15. COMMITMENTS AND OBLIGATIONS

The guarantee, pledge and mortgage ("GPM") position tables of the Group as of 30 September 2013 and 31 December 2012 are as follows:

	Equivalent of Thousands TL	Thousands of US Dollars	Thousands of EUR	Other (Equivalent of Thousands TL)
30 September 2013				
A. GPM given on behalf of its own legal entity	-	-	-	-
-Guarantee	-	-	-	-
-Pledge	-	-	-	-
-Mortgage	-	-	-	-
B. GPM given on behalf of subsidiaries that are included in full consolidation	2.027.053	655.538	56.935	537.078
-Guarantee	2.025.553	655.538	56.935	535.578
-Pledge	-	-	-	-
-Mortgage	1.500	-	-	1.500
C. GPM given in order to guarantee third parties' debts for the routine trade operations	-	-	-	-
-Guarantee	-	-	-	-
-Pledge	-	-	-	-
-Mortgage	-	-	-	-
D. Total amounts of other GPM given	-	-	-	-
i. Total amount of GPM given on behalf of parent company	-	-	-	-
ii. Total amount of GPM given on behalf of other group companies that are not included group B and C	-	-	-	-
-Guarantee	-	-	-	-
-Pledge	-	-	-	-
-Mortgage	-	-	-	-
iii. Total amount of GPM given on behalf of third parties that are not included group C	-	-	-	-
Total as of 30 September 2013	2.027.053	655.538	56.935	537.078
	Equivalent of Thousands TL	Thousands of US Dollars	Thousands of EUR	Other (Equivalent of Thousands TL)
31 December 2012				
A. GPM given on behalf of its own legal entity	-	-	-	-
-Guarantee	-	-	-	-
-Pledge	-	-	-	-
-Mortgage	-	-	-	-
B. GPM given on behalf of subsidiaries that are included in full consolidation	1.797.512	625.629	93.796	461.686
-Guarantee	1.796.012	625.629	93.796	460.186
-Pledge	-	-	-	-
-Mortgage	1.500	-	-	1.500
C. GPM given in order to guarantee third parties' debts for the routine trade operations	1.277	-	-	1.277
-Guarantee	1.277	-	-	1.277
-Pledge	-	-	-	-
-Mortgage	-	-	-	-
D. Total amounts of other GPM given	-	-	-	-
i. Total amount of GPM given on behalf of parent company	-	-	-	-
ii. Total amount of GPM given on behalf of other group companies that are not included group B and C	-	-	-	-
iii. Total amount of GPM given on behalf of third parties that are not included group C	-	-	-	-
Total as of 31 December 2012	1.798.789	625.629	93.796	462.963

Since there are not any GPMs mentioned under D item, the ratio to the total equity is not presented.

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16. SIGNIFICANT RELATED PARTY TRANSACTIONS

According to TAS 24, the shareholders, Group companies and their subsidiaries, management and other related parties are classified as related parties.

Average interest rate of bank deposits at Eurobank Tekfen A.Ş.(renamed as Burgan Bank A.Ş.), the related party of the Group prior the date of 21 December 2012, in terms of TL is 11,62% and in terms of US Dollars is 4,85%, and 18.069 of interest income is earned within the nine month interim period ended 30 September 2012. Group disposed its shares of Eurobank Tekfen on 21 December 2012, therefore Eurobank Tekfen is not classified as related party in condensed consolidated financial statements as of 30 September 2013.

For the interim period, there isn't any extraordinary transaction occurred besides the transactions with related parties and trade relations. Transactions with related parties are distinct and measurable.

17. EARNINGS PER SHARE

	1 January - 30 September 2013	1 July - 30 September 2013	1 January - 30 September 2012	1 July - 30 September 2012
Average number of ordinary shares outstanding during the period (in full)	370.000.000	370.000.000	370.000.000	370.000.000
Net profit / (loss) for the period attributable to owners of the parent (thousands TL)	5.858	(35)	197.841	48.624
Earnings / (loss) per share from operations (TL)	0,016	-	0,535	0,131

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18. OTHER OPERATING INCOME AND EXPENSES

	1 January - 30 September 2013	1 July - 30 September 2013	1 January - 30 September 2012	1 July - 30 September 2012
Other Operating Income				
Foreign exchange gains	53.283	14.042	68.863	11.656
Discount income	6.252	1.627	2.334	462
Due date difference income	8.157	3.627	8.811	1.833
Indemnity income	3.701	1.883	361	176
Scrap sale income	1.737	294	1.292	676
Rent income	2.071	735	1.125	618
Project management income	611	113	1.781	591
Government grants and incentives income	322	202	325	116
Reversal of litigation provision (Note: 14)	26	4	411	316
Reversal of other unnecessary provisions	-	-	2.279	564
Other income	5.921	1.527	4.907	1.394
	<u>82.081</u>	<u>24.054</u>	<u>92.489</u>	<u>18.402</u>
Other Operating Expenses				
Foreign exchange losses	(91.724)	(32.411)	(51.459)	(9.711)
Grants and contributions	(17.577)	(2.015)	(2.397)	(1.633)
Due date difference expense	(3.817)	(1.900)	(4.099)	(1.455)
Discount expense	(1.209)	(73)	(2.042)	1.712
Litigation provision (Note: 14)	(547)	(263)	(561)	(477)
Additional tax expense	(56)	-	(55)	(15)
Damages subject to litigation	-	-	(36)	-
Other expenses	(6.572)	(821)	(10.409)	(4.161)
	<u>(121.502)</u>	<u>(37.483)</u>	<u>(71.058)</u>	<u>(15.740)</u>

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19. FINANCIAL INCOME AND FINANCIAL EXPENSE

Financial Income:

	1 January - 30 September 2013	1 July - 30 September 2013	1 January - 30 September 2012	1 July - 30 September 2012
Foreign exchange gains	67.509	19.895	35.971	4.344
Interest income	47.587	16.190	45.929	13.115
Other finance income	1.248	717	1.704	997
	<u>116.344</u>	<u>36.802</u>	<u>83.604</u>	<u>18.456</u>

Financial Expense:

	1 January - 30 September 2013	1 July - 30 September 2013	1 January - 30 September 2012	1 July - 30 September 2012
Foreign exchange losses	(50.688)	(15.192)	(43.407)	(7.158)
Interest expense	(19.360)	(6.484)	(17.853)	(5.215)
Other finance expenses	(3.978)	(1.285)	(3.280)	(1.842)
	<u>(74.026)</u>	<u>(22.961)</u>	<u>(64.540)</u>	<u>(14.215)</u>

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(Amounts are expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

20. FOREIGN CURRENCY POSITION

30 September 2013	Equivalent of Thousands of TL	Thousands of US Dollars	Thousands of EUR	Thousands of GBP	Other (Equivalent of Thousands of TL)
1. Trade Receivables	138.805	38.914	19.359	3	6.432
2. Monetary Financial Assets	142.980	63.820	2.774	17	5.489
3. Other	79.767	34.635	2.149	41	3.299
4. CURRENT ASSETS	361.552	137.369	24.282	61	15.220
5. Trade Receivables	33.756	643	11.400	-	1.116
6. Monetary Financial Assets	4.190	-	17	-	4.143
7. Other	94.149	24.001	16.492	-	-
8. NON CURRENT ASSETS	132.095	24.644	27.909	-	5.259
9. TOTAL ASSETS	493.647	162.013	52.191	61	20.479
10. Trade Payables	570.533	189.775	36.743	197	82.994
11. Financial Liabilities	41.509	8.094	6.563	-	7.006
12. Monetary Other Liabilities	139.733	27.978	6.424	-	65.164
12b. Non Monetary Other Liabilities	6.430	839	11	-	4.693
13. CURRENT LIABILITIES	758.205	226.686	49.741	197	159.857
14. Trade Payables	7.604	-	194	-	7.071
15. Financial Liabilities	19.470	2.516	5.222	-	-
16. Monetary Other Liabilities	14.040	464	-	-	13.096
17. NON CURRENT LIABILITIES	41.114	2.980	5.416	-	20.167
18. TOTAL LIABILITIES	799.319	229.666	55.157	197	180.024
19. Net foreign currency assets / liabilities position	(305.672)	(67.653)	(2.966)	(136)	(159.545)
20. Monetary items net foreign currency assets / liabilities position (1+2+5+6-10-11-12-14-15-16)	(473.158)	(125.450)	(21.596)	(177)	(158.151)

Translated into English from the report originally issued in Turkish.

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(Amounts are expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

20. FOREIGN CURRENCY POSITION (cont'd)

31 December 2012	Equivalent of Thousands of TL	Thousands of US Dollars	Thousands of EUR	Thousands of GBP	Other (Equivalent of Thousands of TL)
1. Trade Receivables	295.223	25.232	75.515	1	72.653
2. Monetary Financial Assets	211.232	97.721	6.850	15	20.882
3. Other	67.135	27.477	2.196	47	12.855
4. CURRENT ASSETS	573.590	150.430	84.561	63	106.390
5. Trade Receivables	24.694	-	8.089	-	5.671
6. Monetary Financial Assets	4.875	-	17	-	4.835
7. Other	15.247	61	6.437	-	-
8. NON CURRENT ASSETS	44.816	61	14.543	-	10.506
9. TOTAL ASSETS	618.406	150.491	99.104	63	116.896
10. Trade Payables	655.707	153.652	62.328	348	234.231
11. Financial Liabilities	70.296	25.336	9.440	-	2.932
12. Monetary Other Liabilities	111.426	91	16.742	-	71.892
12b. Non Monetary Other Liabilities	2.187	1.215	9	-	-
13. CURRENT LIABILITIES	839.616	180.294	88.519	348	309.055
14. Trade Payables	2.985	-	12	-	2.957
15. Financial Liabilities	21.860	1.262	7.984	-	834
16. Monetary Other Liabilities	11.353	479	-	-	10.499
17. NON CURRENT LIABILITIES	36.198	1.741	7.996	-	14.290
18. TOTAL LIABILITIES	875.814	182.035	96.515	348	323.345
19. Net foreign currency assets / liabilities position	(257.408)	(31.544)	2.589	(285)	(206.449)
20. Monetary items net foreign currency assets / liabilities position (1+2+5+6-10-11-12-14-15-16)	(337.603)	(57.867)	(6.035)	(332)	(219.304)

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20. FOREIGN CURRENCY POSITION (cont'd)

Foreign currency sensitivity

The Group is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to US Dollars and Euro.

The following table details the Group's sensitivity to a 5% increase and decrease in foreign currency rates. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated items and adjusts their translation at the nine month interim period end for a 5% change in foreign currency rates. This sensitivity analysis excludes the foreign currency denominated items presented on the balance sheet of the Group companies whose functional currency is other than TL. A positive number indicates an increase in profit or loss.

	30 September 2013	
	Profit / Loss	
	Appreciation of foreign currencies	Depreciation of foreign currencies
	If US Dollars changes 5% against TL	
US Dollars net assets / liabilities	(6.881)	6.881
	If Euro changes 5% against TL	
Euro net assets / liabilities	(408)	408
	If other foreign currencies changes 5% against TL	
Other foreign currency net assets / liabilities	(7.995)	7.995
TOTAL	(15.284)	15.284
	31 December 2012	
	Profit / Loss	
	Appreciation of foreign currencies	Depreciation of foreign currencies
	If US Dollars change 5% against TL	
US Dollars net assets / liabilities	(2.812)	2.812
	If Euro changes 5% against TL	
Euro net assets / liabilities	304	(304)
	If other foreign currencies change 5% against TL	
Other foreign currency net assets / liabilities	(10.362)	10.362
TOTAL	(12.870)	12.870

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21. SIGNIFICANT EVENTS AFTER BALANCE SHEET DATE

As of the report date, Toros Tarım, the subsidiary of the Company subject to full consolidation, has utilized a loan amounting to 90.700 (EUR 33.001 thousand) which is the part of the approved loan of 154.647 (EUR 56.268 thousand) for financing the investment which will be made. The Company has given guarantee for aforementioned loan.