TEKFEN HOLDİNG ANONİM ŞİRKETİ
AND ITS SUBSIDIARIES

CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS
FOR THE THREE MONTH
INTERIM PERIOD
ENDED 31 MARCH 2010

CONTENT		PAGE

TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

CONDENSED CONSOLIDATED BALANCE SHEET AS OF 31 MARCH 2010

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

ASSETS	**Notes**	**Unaudited 31 March 2010**	**Audited 31 December 2009**
Current Assets		**1.782.196**	**1.709.760**
Cash and cash equivalents		652.007	561.360
Trade receivables		395.193	334.010
Other receivables		8.636	12.327
Inventories	7	226.686	280.426
Receivables from ongoing construction contracts	8	425.971	446.171
Other current assets		52.914	63.379
		1.761.407	1.697.673
Assets classified as held for sale		20.789	12.087
Non Current Assets		**1.102.124**	**1.064.063**
Trade receivables		42.208	38.376
Other receivables		14.259	13.546
Financial investments		102.157	51.256
Investments valued by equity method		155.133	151.264
Invesment property	9	108.658	96.778
Property, plant and equipment	9	612.962	634.700
Intangible assets	9	2.589	2.778
Deferred tax assets		22.986	35.508
Other non current assets		41.172	39.857
TOTAL ASSETS		**2.884.320**	**2.773.823**

TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

CONDENSED CONSOLIDATED BALANCE SHEET AS OF 31 MARCH 2010

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

LIABILITIES	**Notes**	**Unaudited 31 March 2010**	**Audited 31 December 2009**
Current Liabilities		**1.163.889**	**1.231.268**
Financial debts	13	421.901	471.680
Trade payables		461.455	469.170
Other payables		33.443	28.127
Current tax liability		3.279	7.415
Ongoing construction progress payments	8	36.397	41.128
Provisions	10	20.044	18.288
Employee benefits	12	25.964	31.561
Other short term liabilities		161.406	163.899
Non Current Liabilities		**156.545**	**98.647**
Financial debts	13	96.156	40.646
Trade payables		1.385	2.807
Other payables		440	603
Employee benefits	12	29.924	29.120
Deferred tax liabilities		28.640	25.471
SHAREHOLDERS' EQUITY	5	**1.563.886**	**1.443.908**
Equity Attributable To Owners Of The Parents		**1.544.835**	**1.424.998**
Paid in capital		370.000	370.000
Capital structure adjustments		3.475	3.475
Premiums in capital stock		301.839	301.839
Revaluation growth funds		83.729	38.059
Currency translation reserve		53.122	45.765
Restricted profit reserves		44.211	40.834
Retained earnings		621.649	555.682
Net profit for the period		66.810	69.344
Minority Interest		**19.051**	**18.910**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**2.884.320**	**2.773.823**

TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENT OF INCOME FOR THE THREE MONTH INTERIM PERIOD ENDED 31 MARCH 2010

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

	Notes	Unaudited 1 January- 31 March 2010	Unaudited 1 January- 31 March 2009
- Revenue		602.013	643.985
- Cost of revenue (-)		(465.556)	(529.523)
GROSS PROFIT		**136.457**	**114.462**
- Marketing, selling and distribution expenses (-)		(26.200)	(21.522)
- General administrative expenses (-)		(23.611)	(23.791)
- Research and development expenses (-)		(36)	(134)
- Other operating income		4.371	6.557
- Other operating expenses		(7.502)	(3.313)
OPERATING PROFIT		**83.479**	**72.259**
- Share on profit / (loss) of investments valued using equity method		3.686	4.914
- Financial income	16	36.886	38.572
- Financial expense	16	(39.770)	(91.724)
PROFIT BEFORE TAXATION		**84.281**	**24.021**
Tax expense		**(17.511)**	**(18.285)**
- Tax expense for the period		(4.573)	(7.977)
- Deferred tax expense		(12.951)	(10.937)
- Currency translation reserve		13	629
NET PROFIT FOR THE PERIOD		**66.770**	**5.736**
Distribution of Profit For The Period			
Minority interest		(40)	(59)
Owners of the parent		66.810	5.795
Earnings Per Share	15	0,181	0,016

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 STATEMENT OF COMPREHENSIVE INCOME FOR THE THREE MONTH INTERIM PERIOD ENDED 31 MARCH 2010

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

	Unaudited 1 January- 31 March 2010	**Unaudited 1 January- 31 March 2009**
NET PROFIT FOR THE PERIOD	**66.770**	**5.736**
Other Comprehensive Income / (Expense):		
Change in fair value reserve of financial assets	50.618	2.808
Change in currency translation reserve	7.538	52.341
Share on other comprehensive income of investments valued using equity method	(2.417)	1.679
Tax expense based on other comprehensive income	(2.531)	(140)
COMPREHENSIVE INCOME AFTER TAX	**53.208**	**56.688**
TOTAL COMPREHENSIVE INCOME	**119.978**	**62.424**
Distribution of Total Comprehensive Income For The Period		
Minority interest	141	1.691
Owners of the parent	119.837	60.733

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 STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE THREE MONTH INTERIM PERIOD ENDED 31 MARCH 2010

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

				Other comprehensive income							
				Revaluation growth funds							
	Paid in capital	Capital structure adjustment	Premiums in capital stock	Property, plant and equipment revaluation fund	Fair value reserve of financial investments	Currency translation reserve	Restricted profit reserves	Net profit for the period	Retained earnings	Minority interest	Total
Opening balances as of 1 January 2009	296.775	3.475	301.839	2.055	16.627	31.302	24.490	91.032	555.877	19.251	1.342.723
Total comprehensive income	-	-	-	1.349	2.998	50.591	-	5.795	-	1.691	62.424
Transfers to retained earnings	-	-	-	-	-	-	-	(91.032)	91.032	-	-
Transfers to reserves from retained earnings	-	-	-	-	-	-	4.657	-	(4.657)	-	-
Balance as of 31 March 2009	296.775	3.475	301.839	3.404	19.625	81.893	29.147	5.795	642.252	20.942	1.405.147
Opening balances as of 1 January 2010	370.000	3.475	301.839	2.277	35.782	45.765	40.834	69.344	555.682	18.910	1.443.908
Total comprehensive income	-	-	-	(1.158)	46.828	7.357	-	66.810	-	141	119.978
Transfers to retained earnings	-	-	-	-	-	-	-	(69.344)	69.344	-	-
Transfers to reserves from retained earnings	-	-	-	-	-	-	3.377	-	(3.377)	-	-
Balance as of 31 March 2010	370.000	3.475	301.839	1.119	82.610	53.122	44.211	66.810	621.649	19.051	1.563.886

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

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE THREE MONTH INTERIM PERIOD ENDED 31 MARCH 2010

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

	Notes	Unaudited 1 January - 31 March 2010	Unaudited 1 January - 31 March 2009
CASH FLOWS FROM OPERATING ACTIVITIES			
Net profit for the period		66.810	5.795
Adjustments to reconcile net profit to cash provided by operating activities:			
Change in minority interest		(40)	(59)
Depreciation and amortization of tangible and intangible assets	9	20.548	22.772
Depreciation of investment property	9	895	805
Changes in provisions	7,10,12	6.053	8.330
Group's share on net assets of investments in associates valued by equity method		(3.686)	(4.914)
Gain on sale of tangible asset (net)	9	(86)	(468)
Changes in financial investments		(269)	(67)
Changes in assets classified as held for sale		(8.702)	(579)
Changes in allowance for impairment on inventory	7	2	(78.081)
Reversal of unnecessary provisions		(1.141)	-
Net interest income		(11.234)	(7.333)
Net interest expense		9.344	13.744
Allowance for taxation		17.511	18.285
Expense accruals		(8.092)	(686)
Income accruals		1.122	(1.034)
Cash generated by / (used in) operating activities before changes in working capital		89.035	(23.490)
Changes in working capital	17	18.646	(23.156)
Taxes paid		(8.710)	(10.206)
Other payments		(7.185)	(17.972)
Cash generated by / (used in) operating activities		**91.786**	**(74.824)**
CASH FLOWS FROM INVESTING ACTIVITIES			
Effect of investments in associates subsidiaries valued by equity method		(2.600)	(35.870)
Acquisition of tangible and intangible assets	9	(8.331)	(9.277)
Proceeds from sale of tangible and intangible assets	9	2.020	5.143
Acquisition of investment property	9	(12.886)	-
Cash used in investing activities		**(21.797)**	**(40.004)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Changes in borrowings (net)		4.505	66.728
Finance lease paid		(3.134)	(1.857)
Cash generated by financing activities		**1.371**	**64.871**
CHANGE IN CASH AND CASH EQUIVALENTS		71.360	(49.957)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		561.360	504.767
Foreign currency translation reserve (net)		19.287	13.325
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		**652.007**	**468.135**

1. ORGANIZATION AND OPERATIONS OF THE GROUP

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

As of 31 March 2010, the Group has 10.378 employees (31 December 2009: 11.366) including the personnel of subcontractors. Registered address of the Company is Kültür Mahallesi, Aydınlık Sokak, Tekfen Sitesi A Blok No: 7 Beşiktaş, İstanbul / Türkiye.

Company shares are being publicly traded starting on 23 November 2007 in Istanbul Stock Exchange Market.

Approval of condensed consolidated financial statements:

Condensed consolidated financial statements are approved by the Board of Directors and have been granted authorization to be published on the date of 12 May 2010.

2. BASIS OF PRESENTATION OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The Group maintains its books of account and prepares its statutory financial statements in accordance with accounting principles in the Turkish Commercial Code ("TCC") and Tax Legislation. Books of account of subsidiaries and joint ventures established in abroad are prepared in accordance with legislation requirements of their country of origin.

The Capital Markets Board ("CMB") has established principles, procedures and basis on the preparation of financial reports by enterprises and the representation of the reports with Communiqué Series XI, No: 29 "Communiqué on Capital Market Financial Reporting Standards". This Communiqué is applicable for the first interim financial statements to be prepared after 1 January 2008 and with this Communiqué, the Communiqué Series XI, No:25 "Communiqué on Capital Market Accounting Standards" has been repealed. In accordance with this Communiqué, the companies are supposed to prepare their financial statements in accordance with the International Financial Reporting Standards ("IAS/IFRS") accepted by the European Union. Nevertheless, until the discrepancies between the IAS/IFRS accepted by the European Union, and the IAS/IFRS declared by IASB are announced by the Turkish Accounting Standards Board ("TASB"), IAS/IFRS will be in use. Under these circumstances, Turkish Accounting Standards/Turkish Financial Reporting Standards ("TAS/TFRS"), which are the standards published by TASB, not contradicting with IAS/IFRS will be predicated on.

As the differences between the International Financial Reporting Standards ("IAS/IFRS") as endorsed by the European Union and the Turkish Accounting/Financial Reporting Standards ("TAS/TFRS") have not been declared as of the date of this report, the accompanying condensed consolidated financial statements and condensed notes are prepared in accordance with IAS/IFRS as declared in the Communiqué Serial: XI, No: 29 with the required formats announced by the CMB on 17 April 2008 and 9 January 2009.

Capital Market Board (CMB) allows the publicly-traded companies to present the financial statements in full set or condensed presentation in accordance with IAS 34 " Interim Financial Reporting" standard. The Group has preferred to disclose its interim consolidated financial statements as of 31 March 2010 in condensed format.

Based on the notification, the descriptions and disclosures which are needed in the financial statements annually are summarized appropriately in accordance with IAS/IFRS 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 2008 and the related disclosures . Interim period's financial statements cannot be the indicator of the year-end results by itself .

The Group continues to apply the same accounting policies which are mentioned in the consolidated financial statements as of 31 December 2009.

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

Comparative Information and Reclassification of Prior Period Consolidated Financial Statements

Condensed consolidated financial statements of the Group have been prepared comparatively with the prior period in order to give information about financial position and performance. In order to maintain consistency with the current period condensed consolidated financial statements, comparative information are reclassified and significant changes are disclosed if necessary. During the current period presentation, the Group had reclassified certain balances of the prior period in order conform with the current period's presentation. The nature and amount of which is disclosed below:

- Balance of 4.750 in "Other operating income" is accounted in "Financial income".

3. ADOPTION OF NEW AND REVISED STANDARDS

In the current year, the Group does not have any new and revised Standards and Interpretations issued by the International Accounting Standards Board ("the IASB") and the International Financial Reporting Interpretations Committee ("IFRIC") of the IASB that are relevant to its operations and effective for accounting periods beginning on January 1, 2010.

Standards and Interpretations that are effective in 2010 with no impact on the 2010 financial statements

The following new and revised Standards and Interpretations have also been adopted in these financial statements. Their adoption has not had any significant impact on the amounts reported in these financial statements but may impact the accounting for future transactions or arrangements.

IFRS 3 (as revised in 2008) *Business Combinations*

UFRS 3 (2008) the main impact of the adoption will be as follows::

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

IFRS 5 (Amendments related to Annual Improvements 2008 and 2009) *Non-current Assets Held for Sale and Discontinued Operations*

Amendments to IFRS 5 clarify disclosure requirements when an entity plans to sell the controlling interest in a subsidiary. When a subsidiary is held for sale, all of its assets and liabilities should be classified as held for sale under IFRS 5, even when the entity retains a non-controlling interest in the subsidiary after the sale. The amendments also clarify that disclosure requirements in other Standards other than IFRS 5 do not generally apply to non-current assets classified as held for sale and discontinued operations.

IFRS 8 (Amendments Related to Annual Improvements 2009) *Operating Segments*

Amendments to IFRS 8 clarifies that the disclosure of segment assets and liabilities are only required to be reported if and only if those segment assets and liabilities are included in measures used by the chief operating decision maker of the Company.

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

Standards and Interpretations that are effective in 2010 with no impact on the 2010 financial statements (cont'd)

IAS 27 (as revised in 2008) *Consolidated and Separate Financial Statements*

IAS 27 (revised) is effective for annual periods beginning on or after 1 July 2009. The revisions to the Standard are consequential amendments arising from amendments to IFRS 3 Business Combinations. The revisions to IAS 27 principally affect the accounting for transactions or events that result in a change in the Group's interests in its subsidiaries.

The revised standard requires that ownership decreases or increases that do not result in change in control to be recorded in equity with no impact on goodwill nor will it give rise to a gain or loss.

Amendments to IAS 39 *Financial Instruments: Recognition and Measurement – Eligible Hedged Items*
The amendments provide clarification on certain aspects of hedge accounting: the designation of a one-sided risk in a hedged item and the designation of inflation as a hedged risk or a portion of a hedged risk only if it represents contractually specified cashflow

IFRIC 16 (Amendments Related to Annual Improvements 2009) *Hedges of Net Investment in a Foreign Operation*

Amendments to IFRIC 16 clarify that qualifying hedge instruments may be held by any entity within a group company provided the designation; documentation and effectiveness assessment.

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

IFRIC 17 is effective for annual periods beginning on or after 1 July 2010. The interpretation provides guidance on the appropriate accounting treatment when an entity distributes assets other than cash as dividends to its shareholders.

Standards and Interpretations that are issued but not yet effective and have not been early adopted

The following Standards and Interpretations have been issued as of the date of this consolidated financial statements but not effective yet:

IFRS 9 *Financial Instruments: Classification and Measurement*
In November 2009, the first part of IFRS 9 relating to the classification and measurement of financial assets was issued. IFRS 9 will ultimately replace IAS 39 Financial Instruments: Recognition and Measurement. The standard requires an entity to classify its financial assets on the basis of the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset, and subsequently measure the financial assets as either at amortized cost or at fair value. The new standard is mandatory for annual periods beginning on or after 1 January 2013.

IAS 24(Revised 2009) *Related Party Disclosures*
In November 2009, IAS 24 Related Party Disclosures was revised. The revision to the standard provides government-related entities with a partial exemption from the disclosure requirements of IAS 24. The revised standard is mandatory for annual periods beginning on or after 1 January 2011.

IAS 32(Amendments) *Financial Instruments: Presentation* and IAS 1 *Presentation of Financial Statements*
The amendments to IAS 32 and IAS 1 are effective for annual periods beginning on or after 1 February 2010. The amendments address the accounting for rights issues (rights, options or warrants) that are denominated in a currency other than the functional currency of the issuer.

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

Standards and Interpretations that are issued but not yet effective and have not been early adopted

IFRIC 14 (Amendments) *Pre-payment of a Minimum Funding Requirement*
Amendments to IFRIC 14 are effective for annual periods beginning on or after 1 January 2011. The amendments affect entities that are required to make minimum funding contributions to a defined benefit pension plan and choose to pre-pay those contributions

IFRIC 19 *Extinguishing Financial Liabilities with Equity Instruments*
IFRIC 19 is effective for annual periods beginning on or after 1 July 2010. IFRIC 19 addresses only the accounting by the entity that issues equity instruments in order to settle, in full or part, a financial liability.

The management of the Group anticipates that the adoption of the Standards and Interpretations in future periods will have no material impact on the financial statements of the Group.

4. EVENTS AND TRANSACTIONS AFFECTING CONDENSED CONSOLIDATED FINANCIAL STATEMENTS BY LEVEL OF SIGNIFICANCE

The Group has reclassified land and buildings, whose net book value is 9.261 to the assets classified as held for sale

5. SIGNIFICANT CHANGES IN SHAREHOLDERS'EQUITY

Fair Value of Financial Assets:

Positive fair value difference of 48.087 and negative 1.259 of the financial assets of the Company which are trading in an active market booked through to equity. (31 March 2009: 2.998 positive difference, no negative difference.)

Restricted Profit Reserves:

In accordance with the resolutions during the Ordinary General Meetings of Group Companies as of 31 March 2010, 3.377 of restricted reserves were transferred from retained earnings (31 March 2009: 4.657).

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

6. SEGMENTAL REPORTING

a) Segmental results

	1 January-31 March 2010					
	Contracting	Agriculture	Real Estate	Other	Eliminations	Total
Revenue	233.755	341.924	10.404	15.930	-	602.013
Intra-segment sales	61.315	4.102	9	32	(65.458)	-
Inter-segment sales	-	124	61	596	(781)	-
TOTAL REVENUE	295.070	346.150	10.474	16.558	(66.239)	602.013
Cost of revenue	(195.959)	(250.297)	(9.740)	(9.560)	-	(465.556)
GROSS PROFIT	**37.796**	**91.627**	**664**	**6.370**	**-**	**136.457**
Marketing, selling and distribution expenses (-)	(106)	(24.329)	-	(1.765)	-	(26.200)
General administrative expenses (-)	(13.552)	(4.629)	(216)	(5.214)	-	(23.611)
Research and development expenses (-)	-	(36)	-	-	-	(36)
Other operating income	1.534	1.929	90	818	-	4.371
Other operating expenses (-)	(675)	(1.102)	(386)	(5.339)	-	(7.502)
OPERATING PROFIT / (LOSS)	**24.997**	**63.460**	**152**	**(5.130)**	**-**	**83.479**
Share on profit / (loss) of investments valued using equity method	-	-	-	3.686	-	3.686
Financial income	9.047	16.349	976	10.514	-	36.886
Financial expenses (-)	(21.117)	(12.821)	(587)	(5.245)	-	(39.770)
PROFIT BEFORE TAXATION	**12.927**	**66.988**	**541**	**3.825**	**-**	**84.281**
Tax expense	(2.449)	(13.119)	(178)	(1.765)	-	(17.511)
NET PROFIT FOR THE PERIOD	**10.478**	**53.869**	**363**	**2.060**	**-**	**66.770**

The Group has 12.969 of revenue and 5.672 of operating income from terminal operations classified as agricultural operation in the period of 31 March 2010.

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

6. SEGMENTAL REPORTING (cont'd)

a) Segmental results (cont'd)

	1 January-31 March 2009					
	Contracting	Agriculture	Real Estate	Other	Eliminations	Total
Revenue	321.676	300.942	5.999	15.368	-	643.985
Intra-segment sales	45.796	1.357	110	13	(47.276)	-
Inter-segment sales	-	-	554	714	(1.268)	-
TOTAL REVENUE	367.472	302.299	6.663	16.095	(48.544)	643.985
Cost of revenue	(277.337)	(236.856)	(5.762)	(9.568)	-	(529.523)
GROSS PROFIT	**44.339**	**64.086**	**237**	**5.800**	**-**	**114.462**
Marketing, selling and distribution expenses (-)	(12)	(19.898)	(6)	(1.606)	-	(21.522)
General administrative expenses (-)	(11.543)	(6.371)	(115)	(5.762)	-	(23.791)
Research and development expenses (-)	-	(134)	-	-	-	(134)
Other operating income	1.998	3.932	332	295	-	6.557
Other operating expenses (-)	(1.383)	(1.325)	(223)	(382)	-	(3.313)
OPERATING PROFIT / (LOSS)	**33.399**	**40.290**	**225**	**(1.655)**	**-**	**72.259**
Share on profit / (loss) of investments valued	-	-	-	-	-	-
using equity method	-	-	-	4.914	-	4.914
Financial income	5.821	21.044	154	11.553	-	38.572
Financial expenses (-)	(30.859)	(37.355)	(3.267)	(20.243)	-	(91.724)
PROFIT BEFORE TAXATION	**8.361**	**23.979**	**(2.888)**	**(5.431)**	**-**	**24.021**
Tax expense	(1.748)	(14.521)	526	(2.542)	-	(18.285)
NET PROFIT FOR THE PERIOD	**6.613**	**9.458**	**(2.362)**	**(7.973)**	**-**	**5.736**

The Group has 11.052 of revenue and 3.309 of operating income from terminal operations classified as agricultural operation in the period of 31 March 2009.

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

6. SEGMENTAL REPORTING (cont'd)

b) As of 31 March 2010 and 31 December 2009 segmental assets and liabilities are as follows:

	31 March 2010					
Balance sheet	Contracting	Agriculture	Real Estate	Other	Eliminations	Total
Total assets	1.455.599	836.296	28.750	1.341.421	(777.746)	2.884.320
Total liabilities	1.010.377	275.667	14.342	75.259	(55.211)	1.320.434
Shareholders' equity	420.989	600.857	15.066	1.316.392	(808.469)	1.544.835
Minority interest	15.257	3.633	160	1	-	19.051

	31 December 2009					
Balance sheet	Contracting	Agriculture	Real Estate	Other	Eliminations	Total
Total assets	1.441.215	808.169	32.761	1.377.591	(885.913)	2.773.823
Total liabilities	1.005.036	252.574	19.114	142.237	(89.046)	1.329.915
Shareholders' equity	432.946	549.094	13.647	1.245.088	(815.777)	1.424.998
Minority interest	15.105	3.642	162	1	-	18.910

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

6. SEGMENTAL REPORTING (cont'd)

c) Segmental information related to property, plant and equipment, intangible assets and investment property for the period ended 31 March 2010 and 2009 are follows:

	1 January-31 March 2010				
	Contracting	Agriculture	Real Estate	Other	Total
Capital expenditures (*)	4.246	3.931	21	13.019	21.217
Depreciation and amortization expense for the period (**)	15.008	5.514	107	1.290	21.919

	1 January-31 March 2009				
	Contracting	Agriculture	Real Estate	Other	Total
Capital expenditures (*)	7.144	498	1.552	83	9.277
Depreciation and amortization expense for the period (**)	18.119	4.593	92	1.269	24.073

(*) Fixed assets purchases through financial lease are also included.
(**) Depreciation expense of 476 is added to the cost of inventory (31 March 2009: 496).

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

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-31 March 2010)	413.482	68.827	25.059	134.692	26.192	(66.239)	602.013
Total assets (31 March 2010)	3.212.599	479.801	193.294	515.737	347.519	(1.864.630)	2.884.320
Capital expenditures (1 January-31 March 2010)(*)	18.636	50	44	2.306	181	-	21.217

	Turkey	CIS	Northern Africa	Middle Eastern Countries	Other	Eliminations	Total
Revenue (1 January-31 March 2009)	400.147	42.780	72.245	145.585	31.772	(48.544)	643.985
Total assets (31 December 2009)	3.033.514	470.045	193.667	512.610	333.427	(1.769.440)	2.773.823
Capital expenditures (1 January-31 March 2010)(*)	5.387	97	1.044	2.699	50	-	9.277

(*) Fixed assets purchases through financial lease are also included.

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

7. INVENTORIES

	31 March 2010	31 December 2009
Raw materials	31.479	22.769
Work in progress	22.699	23.757
Finished goods	4.344	22.418
Trading goods	24.993	80.317
Goods in transit	39.429	25.924
Inventory at construction sites	82.089	83.177
Other inventories	22.526	22.926
Allowance for impairment on inventory (-)	(873)	(862)
	226.686	280.426

Movement of allowance for impairment on inventory	2010	2009
Provision as of 1 January	(862)	(78.116)
Charge for the period	(2)	-
Currency translation effect	(9)	22
Provision released	-	78.081
Provision as of 31 March	(873)	(13)

Impairment on inventory is accounted in the cost of revenue.

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

8. CONSTRUCTION CONTRACTS

	31 March 2010	31 December 2009
Cost incurred on uncompleted contracts	3.099.500	3.371.865
Recognised gain less losses (net)	316.788	378.472
	3.416.288	3.750.337
Less: Billings to date (-)	(3.026.714)	(3.345.294)
	389.574	405.043

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

	31 March 2010	31 December 2009
From customers under construction contracts	425.971	446.171
To customers under construction contracts	(36.397)	(41.128)
	389.574	405.043

	31 March 2010	31 December 2009
Receivables from uncompleted contracts		
Contracts undersigned abroad	418.359	439.992
Contracts undersigned in Turkey	7.612	6.179
	425.971	446.171
Payables from uncompleted contracts		
Contracts undersigned abroad	(31.999)	(31.595)
Contracts undersigned in Turkey	(4.398)	(9.533)
	(36.397)	(41.128)
	389.574	405.043

The Group has 144.302 of advances received for contracting projects that is accounted in other short term liabilities (31 December: 136.071).

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

9. 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 2010	1.689.996	11.716	119.792
Currency translation effect	2.983	76	(111)
Additions	7.963	368	12.886
Diposals	(2.584)	-	-
Transfers	(9.669)	-	-
Closing balance as of 31 March 2010	1.688.689	12.160	132.567
Accumulated Depreciation and Amortization			
Opening balance as of 1 January 2010	(1.055.296)	(8.938)	(23.014)
Currency translation effect	(1.045)	(53)	-
Charge for the period	(20.444)	(580)	(895)
Disposals	650	-	-
Transfers	408	-	-
Closing balance as of 31 March 2010	(1.075.727)	(9.571)	(23.909)
Carrying value as of 31 March 2010	612.962	2.589	108.658

	Property, plant and equipment	Intangible assets	Investment property
Cost Value			
Opening balance as of 1 January 2009	1.691.762	11.077	119.803
Currency translation effect	80.973	838	352
Additions	9.092	185	-
Diposals	(6.874)	(5)	-
Closing balance as of 31 March 2009	1.774.953	12.095	120.155
Accumulated Depreciation and Amortization			
Opening balance as of 1 January 2010	(1.000.810)	(7.253)	(19.797)
Currency translation effect	(39.926)	(542)	-
Charge for the period	(22.727)	(541)	(805)
Disposals	2.199	5	-
Closing balance as of 31 March 2009	(1.061.264)	(8.331)	(20.602)
Carrying value as of 31 March 2009	713.689	3.764	99.553

Property, plant and equipment includes fixed assets with carrying value of 117.400 purchased through financial lease (31 March 2009: 160.624).

The amount of mortgage on buildings given against to the financial borrowings is 3.205 (31 March 2009: 3.205).

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

10. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

Provisions	31 March 2010	31 December 2009
Provision for litigation	15.651	15.260
Other provisions	4.393	3.028
	20.044	18.288

Movement of provision for litigation is as follows:

	2010	2009
Provision as of 1 January	15.260	20.767
Provision paid (-)	(46)	(696)
Charge for the period	474	391
Provision released	(32)	-
Currency translation effect	(5)	398
Provision as of 31 March	15.651	20.860

Litigations:

Upon the consultation of legal advisors, as of 31 March 2010, the management has decided to accrue 15.651 (31 December 2009: 15.260) of provision for lawsuits that might have high probability of potential outflow from the Group. Based on the legal advice of lawyers, the Group foresees no significant risks regarding 27.938 (31 December 2009: 52.958) of lawsuit filed against the Group.

The Group's subsidiary Tekfen Construction and Installation Co. Inc. has won a legal case as a defendant amounting to 25.865 which in return caused no resource allocation.

As explained in detail in the audited financial statements as of 31 December 2009, as of the date of this report the uncertainty as to the legal process of shutting down the Samsun Plant by municipality of Samsun is still ongoing.

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

11. COMMITMENTS AND OBLIGATIONS

Guarantees/Pledge/Mortgage ("GPM") given by the group	31 March 2010	31 December 2009
A. GPM given on behalf of its own legal entity	147.789	146.361
B. GPM given on behalf of subsidiaries that are included in full consolidation	1.175.370	1.334.668
C. GPM given in order to guarantee third parties debts for for the routine trade operations	-	-
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	1.323.159	1.481.029

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

12. EMPLOYEE BENEFITS

Short term employee benefits:

	31 March 2010	31 December 2009
Retirement pay provision	1.669	2.880
Unused vacation pay liability provision	10.427	9.638
Premium provision	1.853	7.468
Other employee benefits provisions	12.015	11.575
	25.964	31.561

Long term employee benefits:

	31 March 2010	31 December 2009
Retirement pay provision	29.924	29.120

The amount payable to the employee calculated by one month worth salary limited to a maximum of 2.427 TRY (31 December 2009: 2.427 TRY) as of 31 March 2010.

	31 March 2010	31 December 2009
Short term retirement pay provision	1.669	2.880
Long term retirement pay provision	29.924	29.120
	31.593	32.000

	Retirement pay provision	Premium provision
Provision as of 1 January 2010	32.000	7.468
Currency translation effect	(167)	(67)
Service expense	2.262	1.840
Interest expense	248	-
Provision paid (-)	(2.005)	(7.024)
Provision released	(745)	(364)
Provision as of 31 March 2010	31.593	1.853
Provision as of 1 January 2009	36.149	6.575
Currency translation effect	2.284	8
Service expense	3.724	1.437
Interest expense	289	-
Provision paid (-)	(4.290)	(6.575)
Provision as of 31 March 2009	38.156	1.445

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

13. FINANCIAL DEBTS

The Company’s short term financial debts, utilized to finance its working capital flow are reclassed as long term whose maturities passed 31 March 2011 according to their opening dates. Annual weighted average interest rate of the related loans in terms of US Dollars is 3,91% (31 December 2009: 4,24%).

14. SIGNIFICANT RELATED PARTY TRANSACTIONS

According to IAS 34, the Group’s shareholders, Group companies and their subsidiaries, management and other related parties are classified as related parties.

4 office floor located at Tekfen Tower Building which is 4,180 square meter have been purchased from Eurobank Tekfen, an investment that is accounted consolidated by equity method, with respect to the Agreement between the Company and Eurobank Tekfen dated 16 March 2007 and recorded at a value of 12.886.

Group has total deposit of 443.541 in Eurobank Tefken A.Ş. at 31 March 2010 (31 December 2009: 380.895). 4.650 (31 March 2009: 10.908) of interest income is earned in the three month interim period ended 31 March 2010 from these deposits.

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 assessable.

15. EARNINGS PER SHARE

Earnings per share	1 January- 31 March 2010	1 January- 31 March 2009
Average number of ordinary shares outstanding during the period (in full)	370.000.000	370.000.000
Net profit for the period attributable to owners of the Parent (thousands TRY)	66.810	5.795
Earnings per share from operation (TRY)	0,181	0,016

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

16. FINANCIAL INCOME AND FINANCIAL EXPENSE

Financial Income

	1 January- 31 March 2010	1 January- 31 March 2009
Interest income	11.234	7.333
Foreign exchange gains	23.676	25.974
Other	1.976	5.265
	36.886	38.572

Financial Expense

	1 January- 31 March 2010	1 January- 31 March 2009
Interest expense	(9.068)	(16.760)
Foreign exchange losses	(30.702)	(74.964)
	(39.770)	(91.724)

17. CHANGES IN WORKING CAPITAL

	1 January- 31 March 2010	1 January- 31 March 2009
Changes in trade receivables	(55.548)	(13.256)
Changes in due from related parties	(5.635)	(1.651)
Changes in inventories	54.205	145.120
Changes in receivables from ongoing construction contracts	20.200	(15.566)
Changes in other receivables	2.570	2.750
Changes in other current assets	10.465	(4.071)
Changes in long term receivables	(3.832)	(7.995)
Changes in other long term receivables	(713)	(791)
Changes in other non current assets	(1.315)	14.535
Changes in trade payables	(12.026)	(141.719)
Changes in due to related parties	4.311	(2.248)
Changes in other payables	13.408	18.960
Changes in ongoing construction contracts payments	(4.731)	(4.787)
Changes in provision	1.365	1.380
Changes in other short term liabilities	(2.493)	(12.768)
Changes in other long term liabilities	(1.422)	(887)
Changes in other long term payables	(163)	(162)
	18.646	(23.156)

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

18. FOREIGN CURRENCY POSITION

31 March 2010	Equivalant of Thousands of TRY	Thousands of US Dollars	Thousands of EUR	Thousands of GBP	Other (Equivalant of Thousands of TRY)
1. Trade Receivables	130.489	44.617	27.459	8	6.232
2. Monetary Financial Assets	171.062	88.054	12.327	13	11.759
3. Other	50.050	30.509	1.308	22	896
4. CURRENT ASSETS	351.601	163.180	41.094	43	18.887
5. Trade Receivables	3.711	738	753	-	1.043
6. Monetary Financial Assets	12.883	-	17	-	12.848
7. Other	94	62	-	-	-
8. NON CURRENT ASSETS	16.688	800	770	-	13.891
9. TOTAL ASSETS	368.289	163.980	41.864	43	32.778
10. Trade Payables	255.272	136.659	11.213	20	24.287
11. Financial Liabilities	91.900	52.414	5.593	-	674
12. Monetary Other Liabilities	43.007	909	4.826	-	31.720
12b. Non Monetary Other Liabilities	22.432	12.822	23	-	2.876
13. CURRENT LIABILITIES	412.611	202.804	21.655	20	59.557
14. Trade Payables	579	-	-	-	579
15. Financial Liabilities	1.852	1.039	132	-	-
16. Monetary Other Liabilities	7.102	253	-	-	6.717
17. NON CURRENT LIABLITIES	9.533	1.292	132	-	7.296
18. TOTAL LIABILITIES	422.144	204.096	21.787	20	66.853
19. Net foreign currency assets/(liabilities) position	(53.855)	(40.116)	20.077	23	(34.075)
20. Monetary items net foreign currency assets/(liabilities) position (1+2+5+6-10-11-12-14-15-16)	(81.567)	(57.865)	18.792	1	(32.095)
21. Export	21.561	14.264	-	-	-
22. Import	165.109	92.201	10.881	1.241	-

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

18. FOREIGN CURRENCY POSITION (cont'd)

31 December 2009	Equivalant of Thousands of TRY	Thousands of US Dollars	Thousands of EUR	Thousands of GBP	Other (Equivalant of Thousands of TRY)
1. Trade Receivables	92.226	10.014	28.508	2	15.558
2. Monetary Financial Assets	187.388	103.311	9.145	418	11.079
3. Other	17.269	4.621	4.031	94	1.378
4. CURRENT ASSETS	296.883	117.946	41.684	514	28.015
5. Trade Receivables	6.566	2.953	605	-	812
6. Monetary Financial Assets	11.934	-	17	-	11.898
7. Other	92	61	-	-	-
8. NON CURRENT ASSETS	18.592	3.014	622	-	12.710
9. TOTAL ASSETS	315.475	120.960	42.306	514	40.725
10. Trade Payables	232.424	125.432	7.568	801	25.297
11. Financial Liabilities	88.385	54.608	2.545	-	664
12. Monetary Other Liabilities	49.785	1.351	5.996	-	33.799
12b. Non Monetary Other Liabilities	25.715	12.153	80	-	7.243
13. CURRENT LIABILITIES	396.309	193.544	16.189	801	67.003
14. Trade Payables	1.987	-	-	-	1.987
15. Financial Liabilities	959	423	149	-	-
16. Monetary Other Liabilities	7.724	394	-	-	7.131
17. NON CURRENT LIABLITIES	10.670	817	149	-	9.118
18. TOTAL LIABILITIES	406.979	194.361	16.338	801	76.121
19. Net foreign currency assets/(liabilities) position	(91.504)	(73.401)	25.968	(287)	(35.396)
20. Monetary items net foreign currency assets/(liabilities) position (1+2+5+6-10-11-12-14-15-16)	(83.150)	(65.930)	22.017	(381)	(29.532)
21. Export	77.991	50.032	315	-	-
22. Import	708.305	363.449	51.360	7.626	-

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

18. FOREIGN CURRENCY POSITION (cont'd)

Foreign currency sensivity

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 10% increase and decrease in the US Dollars and Euro. 10% 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 monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. The sensitivity analysis includes external loans as well as loans to foreign operations within the Group where the denomination of the loan is in a currency other than the currency of the lender or the borrower. A positive number indicates an increase in profit or loss.

	31 March 2010	
	Profit / Loss	
	Appreciaiton of foreign currencies	Depreciaiton of foreign currencies
	If US Dollars 10% appreciated vs TRY	
US Dollars net assets / liabilities	(6.104)	6.104
	If Euro 10% appreciated vs TRY	
Euro net assets / liabilities	4.120	(4.120)
	If Other foreign currencies 10% appreciated vs TRY	
Other foreign currency net assets / liabilities	(3.402)	3.402
TOTAL	(5.386)	5.386

	31 December 2009	
	Profit / Loss	
	Appreciaiton of foreign currencies	Depreciaiton of foreign currencies
	If US Dollars 10% appreciated vs TRY	
US Dollars net assets / liabilities	(11.052)	11.052
	If Euro 10% appreciated vs TRY	
Euro net assets / liabilities	5.610	(5.610)
	If Other foreign currencies 10% appreciated vs TRY	
Other foreign currency net assets / liabilities	(3.708)	3.708
TOTAL	(9.150)	9.150

19. EVENTS AFTER BALANCE SHEET DATE

As of 12 May 2010, there is a negative change of 19.582 in the fair value of Akmerkez Gayrimenkul Yatırım Ortaklığı, whose shares are publicly traded.

Ordinary general meeting held on 30 April 2010 decided to distribute TRY 0,04879 per share cash dividend to shareholders. The total amount of cash dividends distributed to shareholders is 18.052 and the amount of cash dividends distributed to holders of redeemed shares is 1.259.

The Group's subsidiary Tekfen Construction and Installation Co. obtained the letter of intend for a new turnkey construction contract in order to build the new Headquarters of State Oil Company of Azerbaijan (SOCAR). Total project value is TRY 357,5 Millions (235 Million US Dollars) and it is expected to start during June 2010. Expected duration of the project is 32 months.