

**TEKFEN HOLDİNG A.Ş.  
AND ITS SUBSIDIARIES**

CONDENSED CONSOLIDATED  
FINANCIAL STATEMENTS  
FOR THE INTERIM PERIOD  
ENDED 31 MARCH 2009

CONTENT	PAGE
CONDENSED CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2009 .....	1-2
CONDENSED CONSOLIDATED STATEMENT OF INCOME FOR THE INTERIM PERIOD ENDED 31 MARCH 2009.....	3
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE INTERIM PERIOD ENDED 31 MARCH 2009.....	4
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE INTERIM PERIOD ENDED 31 MARCH 2009 .....	5
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE INTERIM PERIOD ENDED 31 MARCH 2009 .....	6-8
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 31 MARCH 2009.....	9-26
NOTE 1 ORGANIZATION AND OPERATIONS OF THE GROUP .....	9
NOTE 2 BASIS OF PRESENTATION OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS..	9
NOTE 3 ADOPTION OF NEW AND REVISED FINANCIAL REPORTING STANDARDS .....	10-11
NOTE 4 PROFIT DISTRIBUTION .....	11
NOTE 5 SEGMENTAL REPORTING .....	12-16
NOTE 6 INVENTORIES .....	17
NOTE 7 CONSTRUCTION CONTRACTS.....	18
NOTE 8 PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS .....	19
NOTE 9 PROVISIONS, CONTINGENT ASSETS AND LIABILITIES .....	20
NOTE 10 COMMITMENTS AND OBLIGATIONS .....	20
NOTE 11 EMPLOYEE BENEFITS .....	21
NOTE 12 RELATED PARTY TRANSACTIONS .....	22
NOTE 13 FOREIGN CURRENCY POSITION .....	23-25
NOTE 14 SUBSEQUENT EVENTS.....	26

Translated into English from the report originally issued in Turkish.

**TEKFEN HOLDİNG A.Ş. AND ITS SUBSIDIARIES****CONDENSED CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2009**

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

<b>ASSETS</b>	<b>Notes</b>	<b>Unaudited 31 March 2009</b>	<b>Audited 31 December 2008</b>
<b>Current Assets</b>		<b>1.861.264</b>	<b>1.930.324</b>
Cash and cash equivalents		468.135	504.767
Trade receivables		466.962	452.055
Other receivables		14.810	16.526
Inventories	6	325.817	392.338
Receivables from ongoing construction contracts	7	489.475	473.223
Other current assets		83.643	79.572
		<b>1.848.842</b>	<b>1.918.481</b>
Assets classified as held for sale		12.422	11.843
<b>Non Current Assets</b>		<b>1.121.469</b>	<b>1.066.426</b>
Trade receivables		26.479	18.484
Other receivables		11.164	10.373
Financial investments		40.322	37.587
Investments valued by equity method		137.141	94.678
Investment property		106.347	107.502
Property, plant and equipment	8	707.622	684.183
Intangible assets	8	3.037	3.097
Deferred tax assets		31.893	38.523
Other non current assets		57.464	71.999
<b>TOTAL ASSETS</b>		<b>2.982.733</b>	<b>2.996.750</b>

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

**TEKFEN HOLDİNG A.Ş. AND ITS SUBSIDIARIES**

**CONDENSED CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2009**

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

<b>LIABILITIES</b>	<b>Notes</b>	<b>Unaudited 31 March 2009</b>	<b>Audited 31 December 2008</b>
<b>Current Liabilities</b>		<b>1.443.900</b>	<b>1.530.977</b>
Financial borrowings		612.836	552.143
Trade payables		460.828	604.795
Other payables		48.265	27.647
Current tax liability		3.835	8.440
Ongoing construction progress payments	7	1.055	5.842
Provisions	9	20.860	20.767
Employee benefits	11	34.801	37.155
Other short term liabilities		261.420	274.188
<b>Non Current Liabilities</b>		<b>135.344</b>	<b>123.050</b>
Financial borrowings		69.905	65.716
Trade payables		1.127	2.014
Other payables		869	1.031
Employee benefits	11	32.342	29.242
Deferred tax liabilities		31.101	25.047
<b>SHAREHOLDERS' EQUITY</b>		<b>1.403.489</b>	<b>1.342.723</b>
<b>Parent Company Equity</b>		<b>1.382.547</b>	<b>1.323.472</b>
Paid in capital		296.775	296.775
Capital structure adjustments		3.475	3.475
Premiums in capital stock		301.839	301.839
Revaluation growth funds		23.029	18.682
Currency translation reserve		81.893	31.302
Restricted profit reserves		12.354	12.354
Retained earnings	4	657.387	568.013
Net profit for the period		5.795	91.032
<b>Minority Interest</b>		<b>20.942</b>	<b>19.251</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>		<b>2.982.733</b>	<b>2.996.750</b>

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Translated into English from the report originally issued in Turkish.

**TEKFEN HOLDİNG A.Ş. AND ITS SUBSIDIARIES****CONDENSED CONSOLIDATED STATEMENT OF INCOME FOR THE INTERIM PERIOD  
ENDED 31 MARCH 2009**

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

	<b>Unaudited 1 January- 31 March 2009</b>	<b>Unaudited 1 January- 31 March 2008</b>
Revenue	643.985	658.770
Cost of revenue (-)	(529.523)	(475.983)
<b>GROSS PROFIT</b>	<b>114.462</b>	<b>182.787</b>
Marketing, selling and distribution expenses (-)	(21.522)	(23.891)
General administrative expenses (-)	(23.791)	(18.805)
Research and development expenses (-)	(134)	(196)
Other operating income	11.307	6.953
Other operating expenses	(3.313)	(2.491)
<b>OPERATING PROFIT</b>	<b>77.009</b>	<b>144.357</b>
Share on profit / (loss) of investments valued using equity method	4.914	5.524
Financial income	33.822	37.409
Financial expenses	(91.724)	(39.750)
<b>PROFIT BEFORE TAXATION</b>	<b>24.021</b>	<b>147.540</b>
<b>Tax Expense</b>	<b>(18.285)</b>	<b>(31.099)</b>
Tax expense for the year	(17.980)	(33.248)
Deferred tax income	2.805	1.982
Currency translation reserve	(3.110)	167
<b>NET PROFIT FOR THE PERIOD</b>	<b>5.736</b>	<b>116.441</b>
<b>Distribution of Net Profit For The Period</b>		
Share of minority on loss	(59)	(68)
Share of parent company	5.795	116.509
<b>Earnings Per Share</b>	<b>0,019</b>	<b>0,392</b>

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**TEKFEN HOLDİNG A.Ş. AND ITS SUBSIDIARIES**

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE INTERIM PERIOD ENDED 31 MARCH 2009**

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

	<b>Unaudited 1 January- 31 March 2009</b>	<b>Unaudited 1 January- 31 March 2008</b>
<b>PROFIT FOR THE PERIOD</b>	<b>5.736</b>	<b>116.441</b>
<b>Other Comprehensive Income:</b>		
Change in fair value reserve of financial assets	2.668	(1.825)
Change in currency translation reserve	52.341	16.260
Share on other comprehensive income of investments valued using equity method	1.679	(3.706)
<b>COMPREHENSIVE INCOME AFTER TAX</b>	<b>56.688</b>	<b>10.729</b>
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>62.424</b>	<b>127.170</b>
<b>Distribution of Total Comprehensive Income For The Period</b>		
Share of minority on profit	1.691	1.308
Share of parent company	60.733	125.862

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TEKFEN HOLDING A.Ş. AND ITS SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE INTERIM PERIOD ENDED 31 MARCH 2009

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

	Paid in capital	Capital structure adjustment	Premiums in capital stock	Revaluation growth funds		Foreign currency translation reserve	Restricted profit reserves	Net profit for the period	Retained earnings	Minority interest
				Property, plant and equipment revaluation fund	Fair value reserve of financial assets					
<b>Opening balances as of 1 January 2008</b>	296.775	3.475	301.839	585	41.975	(43.410)	3.560	279.257	317.284	15.764
Foreign currency translation reserve	-	-	-	-	-	14.884	-	-	-	1.376
Group's share on net assets of investments in associates accounted by equity method	-	-	-	425	(4.131)	-	-	-	-	-
Change in fair value reserve of financial assets	-	-	-	-	(1.825)	-	-	-	-	-
Net income/(expense) recognized directly in equity	-	-	-	425	(5.956)	14.884	-	-	-	1.376
Net profit for the period	-	-	-	-	-	-	-	116.509	-	(68)
Total income and expense for the period	-	-	-	425	(5.956)	14.884	-	116.509	-	1.308
Transfers to retained earnings	-	-	-	-	-	-	-	(279.257)	279.257	-
Transfers to reserves from retained earnings	-	-	-	-	-	-	5.294	-	(5.294)	-
Payment of dividends	-	-	-	-	-	-	-	-	(19.692)	-
<b>Balance as of 31 March 2008</b>	<u>296.775</u>	<u>3.475</u>	<u>301.839</u>	<u>1.010</u>	<u>36.019</u>	<u>(28.526)</u>	<u>8.854</u>	<u>116.509</u>	<u>571.555</u>	<u>17.072</u>
<b>Balance as of 1 January 2009</b>	296.775	3.475	301.839	2.055	16.627	31.302	12.354	91.032	568.013	19.251
Foreign currency translation reserve	-	-	-	-	-	50.591	-	-	-	1.750
Group's share on net assets of investments in associates accounted by equity method	-	-	-	1.349	330	-	-	-	-	-
Change in fair value reserve of financial assets	-	-	-	-	2.668	-	-	-	-	-
Net income recognized directly in equity	-	-	-	1.349	2.998	50.591	-	-	-	1.750
Net profit for the period	-	-	-	-	-	-	-	5.795	-	(59)
Total income and expense for the period	-	-	-	1.349	2.998	50.591	-	5.795	-	1.691
Transfers to retained earnings	-	-	-	-	-	-	-	(91.032)	91.032	-
Payment of dividends	-	-	-	-	-	-	-	-	(1.658)	-
<b>Balance as of 31 March 2009</b>	<u>296.775</u>	<u>3.475</u>	<u>301.839</u>	<u>3.404</u>	<u>19.625</u>	<u>81.893</u>	<u>12.354</u>	<u>5.795</u>	<u>657.387</u>	<u>20.942</u>

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**TEKFEN HOLDİNG A.Ş. VE BAĞLI ORTAKLIKLARI****CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW FOR THE INTERIM PERIOD  
ENDED 31 MARCH 2009**

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

	<b>Notes</b>	<b>Unaudited 1 January- 31 March 2009</b>	<b>Unaudited 1 January- 31 March 2008</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit for the period		5.795	116.509
Adjustments to reconcile net income to cash provided by operating activities:			
Share of minority in profit / (loss)		(59)	(68)
Depreciation of tangible assets	8	21.092	20.549
Amortization of intangible assets	8	541	455
Depreciation of investment property		1.497	613
Other employee benefits	11	2.489	1.015
Reversal of unnecessary provisions	6,9	(78.081)	(399)
Provision for litigation	9	391	108
Provision for retirement pay provision	11	4.013	3.565
Provision for bonuses	11	1.437	1.641
Group's share on net assets of investments in associates accounted by equity method		(4.914)	(5.524)
Gain / (loss) on sale of tangible asset (net)	8	(468)	(337)
Changes in available for sale investments		(67)	252
Changes in assets classified as held for sale		(579)	(1.576)
Loss provisions on ongoing construction contracts	7	(686)	(363)
Allowance for taxation		18.285	31.099
Cash flows from operating activities		(29.314)	167.539

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**TEKFEN HOLDİNG A.Ş. VE BAĞLI ORTAKLIKLARI****CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW FOR THE INTERIM PERIOD  
ENDED 31 MARCH 2009**

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

	<b>Notes</b>	<b>Unaudited 1 January 31 March 2009</b>	<b>Unaudited 1 January 31 March 2008</b>
<b>MOVEMENTS IN WORKING CAPITAL</b>			
Changes in trade receivables		(13.256)	(62.755)
Changes in inventories	6	144.624	55.507
Changes in trade payables		(141.719)	6.032
Changes in other short term liabilities		(12.768)	88.889
Changes in other receivables		1.716	(427)
Changes in unbilled contract revenues	7	(15.566)	(60.070)
Changes in provision	9	-	430
Changes in due to related parties		(2.248)	15.601
Changes in other current assets		(4.071)	(13.336)
Changes in due from related parties		(1.651)	7.470
Changes in employee benefits	11	1.380	2.086
Changes in other payables		20.618	(784)
Changes in billings in excess of contract revenue	7	(4.787)	(7.451)
Changes in other long term payables		(162)	1.222
Changes in long term trade receivables		(7.995)	(38)
Changes in long term trade payables		(887)	73
Changes in other long term receivables		(791)	(3.927)
Changes in other long term assets		14.535	(4.957)
Changes in other long term liabilities		-	(38.349)
		<u>(23.028)</u>	<u>(14.784)</u>
Cash (used in) / generated by operating activities		<u>(52.342)</u>	<u>152.755</u>
Tax paid		(10.206)	(28.342)
Penalty of litigation paid	9	(696)	(55)
Bonuses paid	11	(6.575)	(7.081)
Retirement pay provision paid	11	(4.290)	(1.514)
Cash (used in) / generated by operating activities		<u>(74.109)</u>	<u>115.763</u>

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**TEKFEN HOLDİNG A.Ş. AND ITS SUBSIDIARIES****CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW FOR THE INTERIM PERIOD  
ENDED 31 MARCH 2009**

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

	<u>Notes</u>	<u>Unaudited 1 January- 31 March 2009</u>	<u>Unaudited 1 January- 31 March 2008</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Effect of investments in associates subsidiaries accounted by equity method		(35.870)	-
Acquisition of tangible assets	8	(9.080)	(22.260)
Acquisition of intangible assets	8	(185)	(295)
Proceeds from sale of tangible assets	8	5.143	3.703
Cash used in investing activities		<u>(39.992)</u>	<u>(18.852)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from borrowings		64.871	23.987
Dividends paid		(1.658)	(19.692)
Cash generated by financing activities		<u>63.213</u>	<u>4.295</u>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>		<b>(50.888)</b>	<b>101.206</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>		<b>504.767</b>	<b>521.653</b>
Translation reserve (net)		14.256	(12.587)
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>		<u><b>468.135</b></u>	<u><b>610.272</b></u>

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## TEKFEN HOLDİNG A.Ş. AND ITS SUBSIDIARIES

### NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 31 MARCH 2009

(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 Group") are controlled by: Necati Akçağlılar, Feyyaz Berker, and Ali Nihat Gökyiğit. The Company and its subsidiaries are referred to as the "Group" in the accompanying condensed consolidated financial statements.

Registered address of the Company is Kültür Mahallesi, Aydınlık Sokak, Tekfen Sitesi A Blok No: 7 Beşiktaş, İstanbul / Türkiye.

##### Approval of financial statements:

Consolidated financial statements are approved by the Board of Directors and have been granted authorization to be published on the date of 12 May 2009.

#### 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.

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 financial statements and 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 14 April 2008.

Capital Market Board (CMB) allows the publicly-traded companies present the financial statements in full set or condensed presentation in accordance with IAS 34 "Interim Financial Reporting" standard. So, the Group prefer the interim consolidated financial statements as of 31 March 2009 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 2008.

## TEKFEN HOLDİNG A.Ş. AND ITS SUBSIDIARIES

### NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 31 MARCH 2009

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

#### 3. ADOPTION OF NEW AND REVISED FINANCIAL REPORTING STANDARDS

In the current year, the Company has adopted all of the 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 1 January 2009.

IAS 1, "(Revised) Presentation Of Financial Statements"

The revised standard will prohibit the presentation of items of income and expenses (that is, 'non-owner changes in equity') in the statement of changes in equity, requiring 'non-owner changes in equity' to be presented separately from owner changes in equity. All non-owner changes in equity will be required to be shown in a performance statement, but entities can choose whether to present one performance statement (the statement of comprehensive income) or two statements (the statement of income and statement of comprehensive income). Accordingly, the Company has decided to present income and expenses in two different statements and condensed consolidated financial statements and disclosures are prepared according to the revisions.

The following standards, amendments and interpretations to published standards are mandatory for accounting periods beginning on or after 1 January 2009 but they are not relevant to the Group's operations:

- IFRS 1 (Revised), "First-Time Adoption Of International Financial Reporting Standards",
- IFRS 2 (Revised), "Share-Based Payment"
- IAS 32 (Revised), "Financial Instruments: Presentation",
- IAS 39 (Revised), "Financial instruments: Recognition and Measurement",
- IFRIC 13, "Customer Loyalty Programs",
- IFRIC 16, "Hedges Of A Net Investment In A Foreign Operation",

Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company

At the date of authorization of these financial statements, the following Standards and Interpretations were in issue but not yet effective:

- |  |   |
|--|---|
| • IFRIC 17, "Distributions Of Non-Cash Assets To Owners"       | Effective for annual periods beginning on or after 1 July 2009. |
| • IFRIC 18, "Transfers Of Assets From Customers"               | Effective for annual periods beginning on or after 1 July 2009. |
| • IFRS 3, "Business Combinations"                              |   |
| • IAS 27, "Consolidated And Separate Financial Statements"     | Effective for annual periods beginning on or after 1 July 2009. |
| • IAS 28, "Investments In Associates"                          |   |
| • IAS 31 "Interests In Joint Ventures"                         |   |
| Comprehensive Revision On Applying The Acquisition Method      |   |
| • IAS 39, "Financial Instruments: Recognition And Measurement" | Effective for annual periods beginning on or after 1 July 2009. |
| Amendments For Eligible Hedged Items                           |   |

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## TEKFEN HOLDİNG A.Ş. AND ITS SUBSIDIARIES

### NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 31 MARCH 2009

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

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

UFRS 3, "Business Combinations"

The amendment requires the cost related to the acquisitions during business combinations to be recognized as they occur and the conditional cost accounted during the acquisition to be considered in the statement of income instead of its restatement of changes occurred in fair value in goodwill.

IFRIC 17, "Distributions of Non-cash Assets to Owners"

IFRIC 17 applies to the entity making the distribution, not to the recipient. It applies when non-cash assets are distributed to owners or when the owner is given a choice of taking cash in lieu of the non-cash assets. This interpretation is not expected to have any impact on Group's consolidated financial statements.

IFRIC 18, "Transfers Of Assets From Customers"

Interpretation, clarifies for agreements in which an entity receives from a customer an item of property, plant, and equipment that the entity must then use either to connect the customer to a network or to provide the customer with ongoing access to a supply of goods or services. This interpretation is not expected to have any impact on Group's consolidated financial statements.

IAS 39, "Financial instruments: Recognition and measurement" Amendments For Eligible Hedged Items

This amendment clarifies that it is possible for there to be movements into and out of the fair value through profit or loss category where a derivative commences or ceases to qualify as a hedging instrument in cash flow or net investment hedge only if backed up with an agreement or contract.

#### 4. PROFIT DISTRIBUTION

According to the General Assembly Meeting dated 8 May 2009, it is decided that the amount of 73,225 from previous years' profit is paid to shareholders as bonus dividend and the capital of the Company is increased from 296,775 to 370,000. Also, the amount of 1,658 is paid to dividend right certificate owners.

TEKFEN HOLDİNG A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 31 MARCH 2009

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

5. SEGMENTAL REPORTING

a) Segmental results:

	1 January-31 March 2009					Total
	Contracting	Agriculture	Real Estate	Other	Eliminations	
External revenue	321.675	300.942	5.999	15.369	-	643.985
Intra-branch sales	46.534	1.357	39	735	(48.665)	-
Inter-segment sales	21	269	1.137	739	(2.166)	-
<b>TOTAL REVENUE</b>	<b>368.230</b>	<b>302.568</b>	<b>7.175</b>	<b>16.843</b>	<b>(50.831)</b>	<b>643.985</b>
Cost of revenue	(277.247)	(236.932)	(5.762)	(9.582)	-	(529.523)
<b>GROSS PROFIT / (LOSS)</b>	<b>44.428</b>	<b>64.010</b>	<b>237</b>	<b>5.787</b>	<b>-</b>	<b>114.462</b>
Marketing, selling and distribution expenses (-)	(12)	(19.894)	(6)	(1.610)	-	(21.522)
General administrative expenses (-)	(12.119)	(6.313)	(121)	(5.238)	-	(23.791)
Research and development expenses (-)	-	(134)	-	-	-	(134)
Other operating income	1.998	8.682	332	295	-	11.307
Other operating expenses	(1.383)	(1.325)	(223)	(382)	-	(3.313)
<b>OPERATING PROFIT / (LOSS)</b>	<b>32.912</b>	<b>45.026</b>	<b>219</b>	<b>(1.148)</b>	<b>-</b>	<b>77.009</b>
Share on profit/(loss) of investments valued using equity method	-	-	-	4.914	-	4.914
Financial income	5.821	16.294	154	11.553	-	33.822
Financial expenses	(30.859)	(37.355)	(3.267)	(20.243)	-	(91.724)
<b>PROFIT / (LOSS) BEFORE TAXATION FROM CONTINUING OPERATIONS</b>	<b>7.874</b>	<b>23.965</b>	<b>(2.894)</b>	<b>(4.924)</b>	<b>-</b>	<b>24.021</b>
Continuing operations tax (expense)/income	(1.748)	(14.521)	526	(2.542)	-	(18.285)
<b>PROFIT / (LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS</b>	<b>6.126</b>	<b>9.444</b>	<b>(2.368)</b>	<b>(7.466)</b>	<b>-</b>	<b>5.736</b>

The Group has 11,052 of revenue and 3,309 of operating income from terminal operations classified as agricultural operation in the period between 1 January and 31 March 2009.

Translated into English from the report originally issued in Turkish.

TEKFEN HOLDİNG A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 31 MARCH 2009

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

5. SEGMENTAL REPORTING (cont'd)

a) Segmental results (cont'd):

	1 January-31 March 2008					Total
	Contracting	Agriculture	Real Estate	Other	Eliminations	
External revenue	269.214	369.809	8.672	11.075	-	658.770
Intra-branch sales	19.536	27.552	-	95	(47.183)	-
Inter-segment sales	635	2	602	1.945	(3.184)	-
<b>TOTAL REVENUE</b>	<b>289.385</b>	<b>397.363</b>	<b>9.274</b>	<b>13.115</b>	<b>(50.367)</b>	<b>658.770</b>
Cost of revenue	(239.551)	(221.097)	(6.899)	(8.436)	-	(475.983)
<b>GROSS PROFIT</b>	<b>29.633</b>	<b>148.712</b>	<b>1.773</b>	<b>2.639</b>	<b>-</b>	<b>182.787</b>
Marketing, selling and distribution expenses (-)	-	(22.120)	(45)	(1.726)	-	(23.891)
General administrative expenses (-)	(10.256)	(4.864)	(433)	(3.252)	-	(18.805)
Research and development expenses (-)	-	(196)	-	-	-	(196)
Other operating income	2.880	3.215	394	464	-	6.953
Other operating expenses	(954)	(919)	(64)	(554)	-	(2.491)
<b>OPERATING PROFIT / (LOSS)</b>	<b>21.333</b>	<b>123.828</b>	<b>1.625</b>	<b>(2.429)</b>	<b>-</b>	<b>144.357</b>
Share on profit/(loss) of investments valued using equity method	-	-	(31)	5.555	-	5.524
Financial income	6.680	11.568	519	18.642	-	37.409
Financial expenses	(11.943)	(21.032)	(4.903)	(1.872)	-	(39.750)
<b>PROFIT / (LOSS) BEFORE TAXATION FROM CONTINUING OPERATIONS</b>	<b>16.070</b>	<b>114.364</b>	<b>(2.790)</b>	<b>19.896</b>	<b>-</b>	<b>147.540</b>
Continuing operations tax (expense)/income	(6.095)	(22.130)	355	(3.229)	-	(31.099)
<b>PROFIT / (LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS</b>	<b>9.975</b>	<b>92.234</b>	<b>(2.435)</b>	<b>16.667</b>	<b>-</b>	<b>116.441</b>

The Group has 9,693 of revenue and 2,399 of operating income from terminal operations classified as agricultural operation in the period between 1 January and 31 March 2008.

Translated into English from the report originally issued in Turkish.

**TEKFEN HOLDİNG A.Ş. AND ITS SUBSIDIARIES****NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 31 MARCH 2009**

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

**5. SEGMENTAL REPORTING (cont'd)**

b) As of 31 March 2009 and 31 December 2008, segmental assets and liabilities are as follow:

Balance sheet	31 March 2009					Total
	Contracting	Agriculture	Real Estate	Other	Eliminations	
Assets	1.721.305	791.953	35.431	1.417.074	(983.030)	2.982.733
Liabilities	1.248.031	249.685	29.882	179.692	(128.046)	1.579.244
Shareholders' equity	477.863	544.105	5.549	1.230.960	(875.930)	1.382.547
Minority interests	17.126	3.640	139	37	-	20.942

  

Balance sheet	31 December 2008					Total
	Contracting	Agriculture	Real Estate	Other	Eliminations	
Assets	1.618.128	935.767	33.993	1.343.199	(934.337)	2.996.750
Liabilities	1.197.760	396.803	26.205	136.990	(103.731)	1.654.027
Shareholders' equity	420.368	538.965	7.789	1.206.211	(849.861)	1.323.472
Minority interests	15.432	3.629	145	45	-	19.251

Translated into English from the report originally issued in Turkish.



**TEKFEN HOLDİNG A.Ş. AND ITS SUBSIDIARIES**

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 31 MARCH 2009**

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

**5. SEGMENTAL REPORTING (cont'd)**

c) Segmental information related to property, plant and equipment, intangible assets and investment property for the periods ended 31 March 2009 and 2008 are as follows:

	1 January-31 March 2009				Total
	Contracting	Agriculture	Real Estate	Other	
Capital additions (*)	7.144	498	1.552	83	9.277
Depreciation and amortization charge	18.119	4.593	92	326	23.130

	1 January-31 March 2008				Total
	Contracting	Agriculture	Real Estate	Other	
Capital additions (*)	30.863	2.480	2.995	578	36.916
Depreciation and amortization charge	15.555	4.115	74	1.873	21.617

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

Translated into English from the report originally issued in Turkish.

**TEKFEN HOLDİNG A.Ş. AND ITS SUBSIDIARIES**

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 31 MARCH 2009**

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

**5. SEGMENTAL REPORTING (cont'd)**

d) Geographical segment results:

	Turkey	CIS	North Africa	Middle Eastern Countries	Other	Eliminations	Total
Revenue (1 January-31 March 2009)	400.147	42.780	72.245	145.585	32.684	(49.456)	643.985
Total assets (31 March 2009)	3.140.177	565.957	221.686	573.071	419.575	(1.937.733)	2.982.733
Capital additions to tangible and intangible assets (1 January-31 March 2009)(*)	5.387	97	1.044	2.699	50	-	9.277
	Turkey	CIS	North Africa	Middle Eastern Countries	Other	Eliminations	Total
Revenue (1 January-31 March 2008)	429.980	52.707	58.059	129.443	46.071	(57.490)	658.770
Total assets (31 December 2008)	2.943.611	539.441	211.351	536.255	520.347	(1.754.255)	2.996.750
Capital additions to tangible and intangible assets (1 January-31 December 2008)(*)	24.891	1.607	2.320	7.313	785	-	36.916

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

Translated into English from the report originally issued in Turkish.

**TEKFEN HOLDİNG A.Ş. AND ITS SUBSIDIARIES**

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE  
INTERIM PERIOD ENDED 31 MARCH 2009**

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

**6. INVENTORIES**

	31 March 2009	31 December 2008
Raw materials	27.837	54.678
Work in progress	58.401	101.008
Finished goods	6.920	39.511
Trade goods	50.567	104.617
Goods in transit	48.066	66.851
Inventory on Construction site	107.597	73.947
Other inventories	26.442	29.842
Allowance for impairment on inventory (-)	(13)	(78.116)
	<u>325.817</u>	<u>392.338</u>
<u>Movement of allowance for impairment on inventory</u>	<u>2009</u>	<u>2008</u>
Provision as at 1 January	(78.116)	-
Provision released	78.081	-
Currency translation effect	22	-
Provision as at 31 March	<u>(13)</u>	<u>-</u>

Translated into English from the report originally issued in Turkish.

**TEKFEN HOLDİNG A.Ş. AND ITS SUBSIDIARIES****NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 31 MARCH 2009**

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

**7. CONSTRUCTION CONTRACTS**

	31 March 2009	31 December 2008
Cost incurred on uncompleted contracts	3.494.428	2.994.668
Recognised gain less losses (net)	366.499	375.907
Loss provision (-)	(492)	(1.178)
	<u>3.860.435</u>	<u>3.369.397</u>
Less: Billings to date (-)	<u>(3.372.015)</u>	<u>(2.902.016)</u>
	<u>488.420</u>	<u>467.381</u>

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

	31 March 2009	31 December 2008
From customers under construction contracts	489.475	473.223
To customers under construction contracts	<u>(1.055)</u>	<u>(5.842)</u>
	<u>488.420</u>	<u>467.381</u>

	31 March 2009	31 December 2008
<u>Receivables from uncompleted contracts</u>		
Contracts undersigned abroad	478.360	466.376
Contracts undersigned in Turkey	11.115	6.847
	<u>489.475</u>	<u>473.223</u>
<u>Payables from uncompleted contracts</u>		
Contracts undersigned in Turkey	<u>(1.055)</u>	<u>(5.842)</u>
	<u>(1.055)</u>	<u>(5.842)</u>
	<u>488.420</u>	<u>467.381</u>

Translated into English from the report originally issued in Turkish.

**TEKFEN HOLDİNG A.Ş. AND ITS SUBSIDIARIES**

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 31 MARCH 2009**

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

**8. PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS**

	Property, plant and equipment	Intangible assets
<b>Cost Value</b>		
Opening balance as at 1 January 2009	1.663.023	12.571
Currency translation effect	81.675	838
Additions	9.080	185
Tangible assets acquired through finance leases	12	-
Disposals	(6.874)	(5)
Closing balance as at 31 March 2009	<u>1.746.916</u>	<u>13.589</u>
<b>Accumulated Depreciation and Amortization</b>		
Opening balance as at 1 January 2009	(978.840)	(9.474)
Currency translation effect	(41.561)	(542)
Charge for the year	(21.092)	(541)
Disposals	2.199	5
Closing balance as at 31 March 2009	<u>(1.039.294)</u>	<u>(10.552)</u>
Net book value as at 31 March 2009	<u><u>707.622</u></u>	<u><u>3.037</u></u>
<b>Cost Value</b>		
Opening balance as at 1 January 2008	1.699.236	10.476
Currency translation effect	55.391	922
Additions	22.260	295
Tangible assets acquired through finance leases	14.361	-
Disposals	(29.921)	(215)
Transfers to investment properties	(470)	-
Closing balance as at 31 March 2008	<u>1.760.857</u>	<u>11.478</u>
<b>Accumulated Depreciation and Amortization</b>		
Opening balance as at 1 January 2008	(1.105.968)	(6.391)
Currency translation effect	(24.329)	(218)
Charge for the year	(20.549)	(455)
Disposals	26.555	215
Closing balance as at 31 March 2008	<u>(1.124.291)</u>	<u>(6.849)</u>
Net book value as at 31 March 2008	<u><u>636.566</u></u>	<u><u>4.629</u></u>

Property, plant and equipment include fixed assets with carrying value of 160,624 purchased through financial lease (31 March 2008: 118,413).

The amount of mortgage on buildings about loans borrowed is 3,205. (31 March 2008: 9,273)

Translated into English from the report originally issued in Turkish.

## TEKFEN HOLDİNG A.Ş. AND ITS SUBSIDIARIES

### NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 31 MARCH 2009

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

#### 9. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

##### a) Provisions

	31 March 2009	31 December 2008
Provisions		
Provision for litigation	20.860	20.767
Movement of provision for litigation is below:		
	2009	2008
Provision as at 1 January	20.767	14.358
Provision paid (-)	(696)	(55)
Charge for the year	391	108
Provision released	-	(399)
Currency translation effect	398	244
Provision as at 31 December	20.860	14.256

##### b) Contingent Assets and Liabilities

	31 March 2009	31 December 2008
Letters of guarantee given	928.650	886.716
Letters of credit	227.941	350.982
	1.156.591	1.237.698

Group has also given 111,401 thousand US Dollars (188,045) and 263 thousand Euro (585) worth of letters of guarantees and 3,205 worth of mortgage. (31 December 2008: 108,625 thousand US Dollars (164,274) and 298 thousand Euro (638), 3,205 worth of mortgage )

##### Liabilities on Agreement:

There are not any new agreement or development for liabilities based on agreement for the interim period between 31 December 2008 and 31 March 2009.

##### Litigations:

Management has decided to fund 20,860 (31 December 2008: 20,767) of provision for lawsuits that might be filed against the Group which will have a high probability of potential outflow from the Group based on the legal prosecution of lawyers as at 31 March 2009. The amount of provision is decided concerning the probability ratios and potential outflow.

As explained in detail in the audited consolidated financial statements as of 31 December 2008, the uncertainty about the legal proceedings which started with the written petition of Samsun Municipality dated 6 November 2007 about the closure of Samsun Gübre facility still continues.

#### 10. COMMITMENTS AND OBLIGATIONS

##### Mortgages and pledges:

There is not any change in mortgage ,pledge or previous mortgages and pledges of the Group for the interim period between 31 December 2008 and 31 March 2009.

Translated into English from the report originally issued in Turkish.

**TEKFEN HOLDİNG A.Ş. AND ITS SUBSIDIARIES**

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 31 MARCH 2009**

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

**11. EMPLOYEE BENEFITS**

Short term employee benefits:

	31 March 2009	31 December 2008
Retirement pay provision	5.814	6.907
Unused vocation pay liability	12.751	11.371
Premium provision	1.445	6.575
Other employee benefits provisions	14.791	12.302
	<u>34.801</u>	<u>37.155</u>

Long term employee benefits:

	31 March 2009	31 December 2008
Retirement pay provision	32.342	29.242

The amount payable to the employee consists of one month worth salary limited to a maximum of 2,260 TL (31 December 2008: 2,260 TL) for each period of service at 31 March 2009.

	31 March 2009	31 December 2008
Short term retirement pay provision	5.814	884
Long term retirement pay provision	32.342	31.642
	<u>38.156</u>	<u>32.526</u>

Movement of retirement pay provision is as follows:

	2009	2008
Provision as at 1 January	36.149	28.802
Currency translation effect	2.284	1.673
Service expense	3.724	3.275
Interest expense	289	290
Provision paid (-)	(4.290)	(1.514)
Provision as at 31 March	<u>38.156</u>	<u>32.526</u>

Movement of premium provision is as follows:

	2009	2008
Provision as at 1 January	6.575	7.610
Provision paid (-)	(6.575)	(7.081)
Charge for the year	1.437	1.641
Currency translation effect	8	90
Provision as at 31 March	<u>1.445</u>	<u>2.260</u>

Translated into English from the report originally issued in Turkish.

**TEKFEN HOLDİNG A.Ş. AND ITS SUBSIDIARIES**

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE  
INTERIM PERIOD ENDED 31 MARCH 2009**

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

**12. 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.

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.



TEKFEN HOLDİNG A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 31 MARCH 2009

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

13. FOREIGN CURRENCY POSITION

31 March 2009	Equivalent of Thousands TL	US Dollars	EUR	JPY	GBP	Other (Equivalent of Thousands TL)
1. Trade Receivables	115.689	6.868.557	37.775.592	-	13	20.014
2. Monetary Financial Assets	125.586	22.239.255	30.201.055	10.397.030	43.044	20.540
3. Other	20.643	8.794.870	228.322	-	16.315	5.250
4. CURRENT ASSETS	261.918	37.902.682	68.204.969	10.397.030	59.372	45.804
5. Trade Receivables	3.084	8.089	451.638	-	-	2.065
6. Monetary Financial Assets	9.623	-	-	-	-	9.623
7. NON CURRENT ASSETS	12.707	8.089	451.638	-	-	11.688
8. TOTAL ASSETS	274.625	37.910.771	68.656.607	10.397.030	59.372	57.492
9. Trade Payables	228.442	104.010.949	5.097.221	16.164.767	1.677.867	37.234
10. Financial Liabilities	80.546	43.296.840	2.052.500	-	-	2.892
11. Monetary Other Liabilities	69.542	9.092.274	3.711.014	-	-	45.934
12. CURRENT LIABILITIES	378.530	156.400.063	10.860.735	16.164.767	1.677.867	86.060
13. Trade Payables	865	-	-	-	-	865
14. Financial Liabilities	6.532	3.615.938	192.500	-	-	-
15. Monetary Other Liabilities	858	508.264	-	-	-	-
16. NON CURRENT LIABILITIES	8.255	4.124.202	192.500	-	-	865
17. TOTAL LIABILITIES	386.785	160.524.265	11.053.235	16.164.767	1.677.867	86.925
18. Net foreign currency assets/(liabilities) position	(112.160)	(122.613.494)	57.603.372	(5.767.737)	(1.618.495)	(29.433)
19. Monetary items net foreign currency assets/(liabilities) position (1+2+5+6-9-10-11-13-14)	(132.803)	(131.408.364)	57.375.050	(5.767.737)	(1.634.810)	(34.683)
20. Export	27.962	16.252.895	548.381	-	-	-
21. Import	166.879	95.847.943	3.982.073	-	156.374	-

Translated into English from the report originally issued in Turkish.

TEKFEN HOLDİNG A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 31 MARCH 2009

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

13. FOREIGN CURRENCY POSITION (cont'd)

31 December 2008	Equivalent of Thousands TL	US Dollars	EUR	JPY	GBP	Other (Equivalent of Thousands TL)
1. Trade Receivables	142.583	19.215.842	36.918.624	-	6.051	34.474
2. Monetary Financial Assets	119.235	49.321.386	14.396.164	28.175.022	3.923	13.347
3. Other	1.442	-	281.514	-	-	840
4. CURRENT ASSETS	263.260	68.537.228	51.596.302	28.175.022	9.974	48.661
5. Trade Receivables	4.352	1.166.988	395.975	-	-	1.740
6. Monetary Financial Assets	9.621	-	-	-	-	9.621
7. Other	92	60.867	-	-	-	-
8. NON CURRENT ASSETS	14.065	1.227.855	395.975	-	-	11.361
9. TOTAL ASSETS	277.325	69.765.083	51.992.277	28.175.022	9.974	60.022
10. Trade Payables	374.920	193.787.185	11.371.439	-	1.472.413	54.284
11. Financial Liabilities	158.423	98.477.199	2.126.741	-	-	4.943
12. Monetary Other Liabilities	64.673	8.933.086	2.543.424	-	-	45.719
13. CURRENT LIABILITIES	598.016	301.197.470	16.041.604	-	1.472.413	104.946
14. Trade Payables	1.551	-	-	-	-	1.551
15. Financial Liabilities	7.298	4.519.322	216.242	-	-	-
16. Monetary Other Liabilities	1.024	677.340	-	-	-	-
17. NON CURRENT LIABILITIES	9.873	5.196.662	216.242	-	-	1.551
18. TOTAL LIABILITIES	607.889	306.394.132	16.257.846	-	1.472.413	106.497
19. Net foreign currency assets/(liabilities) position	(330.564)	(236.629.049)	35.734.431	28.175.022	(1.462.439)	(46.475)
20. Monetary items net foreign currency assets/(liabilities) position (1+2+5+6-10-11-12-14-15-16)	(332.098)	(236.689.916)	35.452.917	28.175.022	(1.462.439)	(47.315)
21. Export	103.327	79.631.199	-	-	-	-
22. Import	924.064	700.310.570	6.890.866	-	1.002.434	1

Translated into English from the report originally issued in Turkish.

**TEKFEN HOLDİNG A.Ş. AND ITS SUBSIDIARIES**

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD ENDED 31 MARCH 2009**

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

**13. FOREIGN CURRENCY POSITION (cont'd)**

The Group is exposed to foreign exchange risk primarily with respect to the 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 Company 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 2009	
	Profit / Loss	
	Appreciaton of foreign currencies	Depreciaton of foreign currencies
	If US Dollars 10% appreciated vs TL	
US Dollars net assets / liabilities	(20.697)	20.697
	If Euro 10% appreciated vs TL	
Euro net assets / liabilities	12.821	(12.821)
	If Other foreign currencies 10% appreciated vs TL	
Other foreign currency net assets / liabilities	(3.340)	3.340
<b>TOTAL</b>	<b>(11.216)</b>	<b>11.216</b>
	31 December 2008	
	Profit / Loss	
	Appreciaton of foreign currencies	Depreciaton of foreign currencies
	If US Dollars 10% appreciated vs TL	
US Dollars net assets / liabilities	(35.785)	35.785
	If Euro 10% appreciated vs TL	
Euro net assets / liabilities	7.650	(7.650)
	If Other foreign currencies 10% appreciated vs TL	
Other foreign currency net assets / liabilities	(4.921)	4.921
<b>TOTAL</b>	<b>(33.056)</b>	<b>33.056</b>

Translated into English from the report originally issued in Turkish.

**TEKFEN HOLDİNG A.Ş. AND ITS SUBSIDIARIES**

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE  
INTERIM PERIOD ENDED 31 MARCH 2009**

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

**14. SUBSEQUENT EVENTS**

The strike which is started in Ceyhan/Adana and Mersin facilities on 7 April 2009, due to disagreement of collective bargaining for the period 1 January 2009 and 31 December 2010 between "Kimya Petrol Lastik ve Plastik Sanayi İşverenleri Sendikası (KIPLAS)" ,of which Toros Tarım Sanayi and Ticaret A.Ş. is a member, and "Petrol-İş Sendikası" is over on 11 May 2009 and employees are started to work.