

**TEKFEN HOLDİNG ANONİM ŞİRKETİ
AND ITS SUBSIDIARIES**

CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS
FOR THE NINE MONTH
INTERIM PERIOD
ENDED 30 SEPTEMBER 2014

CONTENT	PAGE
CONDENSED CONSOLIDATED BALANCE SHEET AS AT 30 SEPTEMBER 2014	1-2
CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2014	3
CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2014.....	4
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2014	5
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2014	6-7
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2014	8-39
NOTE 1 ORGANIZATION AND OPERATIONS OF THE GROUP	8
NOTE 2 BASIS OF PRESENTATION OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS	8-9
NOTE 3 ADOPTION OF NEW AND REVISED STANDARDS	9
NOTE 4 EVENTS AND TRANSACTIONS MATERIALLY AFFECTING CONDENSED CONSOLIDATED FINANCIAL STATEMENTS	10
NOTE 5 SIGNIFICANT CHANGES IN EQUITY	11
NOTE 6 SEGMENTAL REPORTING	12-19
NOTE 7 CASH AND CASH EQUIVALENTS	20
NOTE 8 TRADE RECEIVABLES AND PAYABLES	20-21
NOTE 9 INVENTORIES	22
NOTE 10 CONSTRUCTION CONTRACTS	23
NOTE 11 INVESTMENTS VALUED BY EQUITY METHOD	24-28
NOTE 12 PROPERTY, PLANT AND EQUIPMENT, INTANGIBLE ASSETS AND INVESTMENT PROPERTY	29
NOTE 13 SHORT AND LONG TERM FINANCIAL DEBTS	30
NOTE 14 SHORT AND LONG TERM PROVISIONS, CONTINGENT ASSETS AND LIABILITIES	30-32
NOTE 15 COMMITMENTS AND OBLIGATIONS	33
NOTE 16 SIGNIFICANT RELATED PARTY TRANSACTIONS	34
NOTE 17 EQUITY.....	34
NOTE 18 EARNINGS PER SHARE	34
NOTE 19 OTHER OPERATING INCOME AND EXPENSES	35
NOTE 20 FINANCIAL INCOME AND FINANCIAL EXPENSE	36
NOTE 21 FOREIGN CURRENCY POSITION	37-39
NOTE 22 SUBSEQUENT EVENTS	39

TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

CONDENSED CONSOLIDATED BALANCE SHEET AS AT 30 SEPTEMBER 2014

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

ASSETS	Notes	Unaudited 30 September 2014	Audited 31 December 2013
Current Assets		3.333.070	3.291.454
Cash and cash equivalents	7	942.066	1.055.153
Financial investments		-	49.119
Trade receivables	8	732.052	789.689
- <i>Related party receivables</i>		<i>12.537</i>	<i>9.081</i>
- <i>Trade receivables</i>		<i>719.515</i>	<i>780.608</i>
Other receivables		5.638	2.999
- <i>Related party receivables</i>		<i>149</i>	-
- <i>Other receivables</i>		<i>5.489</i>	<i>2.999</i>
Inventories	9	632.681	521.174
Receivables from ongoing construction contracts	10	670.718	558.960
Prepaid expenses		142.220	151.152
Assets related with current tax		41.473	44.299
Other current assets		145.932	105.597
		3.312.780	3.278.142
Assets classified as held for sale	4(c)	20.290	13.312
Non Current Assets		1.663.626	1.405.966
Financial investments		67.654	63.593
Trade receivables	8	59.348	84.225
- <i>Related party receivables</i>		-	-
- <i>Trade receivables</i>		<i>59.348</i>	<i>84.225</i>
Other receivables		3.098	6.733
- <i>Related party receivables</i>		-	-
- <i>Other receivables</i>		<i>3.098</i>	<i>6.733</i>
Investments valued by equity method	11	126.466	120.547
Investment property	12	78.910	78.775
Property, plant and equipment	12	1.170.898	904.712
Intangible assets	12	4.537	3.311
Prepaid expenses	4(c)	62.042	69.094
Deferred tax assets		40.834	38.359
Other non current assets		49.839	36.617
TOTAL ASSETS		4.996.696	4.697.420

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 2014

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

LIABILITIES	Notes	Unaudited 30 September 2014	Audited 31 December 2013
Current Liabilities		2.236.472	2.326.434
Short term financial debts	13	622.096	555.236
Short term portion of long term financial debts		33.239	58.029
Trade payables	8	1.019.543	1.145.610
- Related party payables		465	444
- Trade payables		1.019.078	1.145.166
Employee benefit payables		34.210	38.389
Other payables		16.811	16.478
- Related party payables		21	-
- Other payables		16.790	16.478
Advances received		319.357	255.196
Deferred revenue		8.489	5.278
Current tax liability		44.861	48.327
Ongoing construction progress payments	10	89.320	135.906
Short term provisions	14	41.662	66.988
- Provisions attributable to employee benefits		36.630	36.296
- Other short term provisions		5.032	30.692
Other short term liabilities		6.884	997
Non Current Liabilities		567.063	448.789
Long term financial debts	13	354.792	297.662
Trade payables	8	52.810	23.651
Other payables		21.340	20.662
Deferred revenue	4(c)	18.465	-
Long term provisions	14	36.926	45.160
- Provisions attributable to employee benefits		36.863	45.090
- Other long term provisions		63	70
Deferred tax liabilities		82.730	61.654
EQUITY	5, 17	2.193.161	1.922.197
Equity Attributable To Owners Of The Parent		2.158.979	1.890.154
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		2.395	2.470
- Gain on revaluation and remeasurement		2.395	2.470
Accumulated other comprehensive income or loss that will be reclassified in profit or loss		209.974	194.274
- Currency translation reserve		160.945	149.095
- Gain on revaluation and reclassification		49.029	45.179
Legal reserves		140.182	120.830
Retained earnings		878.575	962.382
Net profit/(loss) for the period		253.394	(64.261)
Non-controlling Interests		34.182	32.043
TOTAL EQUITY AND LIABILITIES		4.996.696	4.697.420

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 PROFIT OR LOSS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2014

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

	Notes	Unaudited 1 January - 30 September 2014	Unaudited 1 July - 30 September 2014	Unaudited 1 January - 30 September 2013	Unaudited 1 July - 30 September 2013
Revenue		3.196.869	1.054.738	2.870.512	906.082
Cost of revenue (-)		(2.770.208)	(948.375)	(2.726.305)	(850.752)
GROSS PROFIT/(LOSS)		426.661	106.363	144.207	55.330
General administrative expenses (-)		(89.564)	(27.640)	(81.983)	(25.784)
Marketing expenses (-)		(91.537)	(26.933)	(89.109)	(27.202)
Research and development expenses (-)		-	-	(243)	63
Other operating income	19	129.172	40.438	82.081	24.054
Other operating expenses (-)	19	(135.814)	(46.985)	(121.502)	(37.483)
Share on profit / loss of investments valued using equity method	11	20.365	10.905	25.901	14.238
OPERATING PROFIT/(LOSS)		259.283	56.148	(40.648)	3.216
Investment income		10.431	128	56.435	122
Investment expense (-)		(37)	(35)	(5.827)	(4.377)
PROFIT/(LOSS) BEFORE FINANCIAL INCOME/(EXPENSE)		269.677	56.241	9.960	(1.039)
Financial income	20	146.450	43.689	104.258	36.711
Financial expense (-)	20	(101.319)	(21.304)	(61.940)	(22.870)
PROFIT BEFORE TAXATION		314.808	78.626	52.278	12.802
Tax expense		(61.448)	(9.209)	(45.967)	(12.690)
Tax expense for the period		(47.779)	(8.659)	(30.173)	(6.563)
Deferred tax expense		(14.014)	(980)	(14.865)	(5.810)
Currency translation reserve		345	430	(929)	(317)
PROFIT FOR THE PERIOD		253.360	69.417	6.311	112
Distribution of Net Profit/(Loss) For The Period					
Non-controlling interests		(34)	(27)	453	147
Owners of the parent		253.394	69.444	5.858	(35)
Earnings Per Share	18	0,685	0,188	0,016	-

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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 2014

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

	Unaudited 1 January - 30 September 2014	Unaudited 1 July - 30 September 2014	Unaudited 1 January - 30 September 2013	Unaudited 1 July - 30 September 2013
PROFIT FOR THE PERIOD	253.360	69.417	6.311	112
OTHER COMPREHENSIVE INCOME/(EXPENSE):				
<u>Items that will not be reclassified to profit or loss</u>	(75)	370	2.187	252
Gain on revaluation of defined retirement benefit plans	(94)	462	2.734	315
Taxes based on other comprehensive income that will not be reclassified to profit or loss	19	(92)	(547)	(63)
<i>Deferred tax income/(expense)</i>	<i>19</i>	<i>(92)</i>	<i>(547)</i>	<i>(63)</i>
<u>Items that may be reclassified to profit or loss</u>	17.873	27.049	17.107	13.503
Gain/(loss) on revaluation of available for sale financial investments	4.053	(871)	(33.453)	(8.334)
Currency translation reserve differences	14.023	27.877	48.887	21.420
Taxes based on other comprehensive income that will be reclassified to profit or loss	(203)	43	1.673	417
<i>Deferred tax income/(expense)</i>	<i>(203)</i>	<i>43</i>	<i>1.673</i>	<i>417</i>
OTHER COMPREHENSIVE INCOME	17.798	27.419	19.294	13.755
TOTAL COMPREHENSIVE INCOME	271.158	96.836	25.605	13.867
Distribution of Total Comprehensive Income For The Period				
Non-controlling interests	2.139	2.296	4.177	1.763
Owners of the parent	269.019	94.540	21.428	12.104

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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 2014

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

	Paid in capital	Capital structure adjustment	Premiums in capital stock	Gain on revaluation and remeasurement	Gain on revaluation and reclassification	Currency translation reserve	Restricted profit reserves	Retained earnings	Net profit/(loss) for the period	Equity attributable to owners of the parent	Non controlling interests	Total
Opening balance 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>	-	-	-	2.187	(31.780)	45.163	-	-	-	15.570	3.724	19.294
<i>Net profit/(loss) 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)
Closing 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
Opening balance as of 1 January 2014	370.000	3.475	300.984	2.470	45.179	149.095	120.830	962.382	(64.261)	1.890.154	32.043	1.922.197
<i>Other comprehensive income</i>	-	-	-	(75)	3.850	11.850	-	-	-	15.625	2.173	17.798
<i>Net profit/(loss) for the period</i>	-	-	-	-	-	-	-	-	253.394	253.394	(34)	253.360
Total comprehensive income	-	-	-	(75)	3.850	11.850	-	-	253.394	269.019	2.139	271.158
Fair value of redeemed shares	-	-	-	-	-	-	-	(194)	-	(194)	-	(194)
Transfers to retained earnings	-	-	-	-	-	-	-	(64.261)	64.261	-	-	-
Transfers to reserves from retained earnings	-	-	-	-	-	-	19.352	(19.352)	-	-	-	-
Closing balance as of 30 September 2014	370.000	3.475	300.984	2.395	49.029	160.945	140.182	878.575	253.394	2.158.979	34.182	2.193.161

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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 2014

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

	Notes	Unaudited 1 January - 30 September 2014	Unaudited 1 January - 30 September 2013
A. CASH FLOWS FROM OPERATING ACTIVITIES		75.626	(252.296)
Profit for the period		253.360	6.311
Adjustments to reconcile net profit		69.911	57.503
- Depreciation and amortization	12	68.953	60.199
- Impairment / reversed provision	9, 12	242	424
- Provision adjustments	8, 14	15.107	56.081
- Interest expense and income	20	(45.073)	(27.447)
- Difference between capital in kind and fair value		-	(49.083)
- Loss on sale of associaton accounted by equity method	11	-	42
- Group's share on profit of investments in associates accounted by equity method	11	(20.365)	(25.901)
- Dividend income		(6.595)	(6.285)
- Gain / Loss on fair valuation		(13)	4
- Allowance for taxation		61.448	45.967
- Gain / Loss on sale of fixed assets	12	(3.793)	3.502
Movements in working capital		(201.216)	(274.031)
- Changes in inventories	9	(104.160)	(137.108)
- Changes in trade receivables	8	27.485	(162.176)
- Changes in retention receivables	8	43.269	(18.847)
- Changes in other assets		(51.074)	(36.740)
- Changes in receivables from ongoing construction contracts	10	(111.758)	(45.529)
- Changes in trade payables	8	(96.071)	96.350
- Changes in other liabilities		88.560	(6.826)
- Changes in receivables from ongoing construction progress payments	10	(46.586)	36.845
- Other changes in working capital		49.119	-
Cash generated by operating activities		122.055	(210.217)
Interest paid		(21.968)	(14.805)
Interest received		64.688	46.807
Tax paid / return		(48.420)	(42.346)
Penalty of litigation paid	14	(114)	(772)
Retirement pay provision and premiums paid	14	(31.177)	(23.138)
Unused vacation paid	14	(8.972)	(7.293)
Other provision paid	14	(466)	(532)

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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 2014

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

	Notes	Unaudited 1 January - 30 September 2014	Unaudited 1 January - 30 September 2013
B. CASH FLOWS FROM INVESTING ACTIVITIES		(267.354)	(118.138)
Proceeds from sale of tangible and intangible assets	12	11.229	6.145
Acquisition of tangible and intangible assets	12	(314.754)	(90.650)
Advances and debts given		13.404	(50.727)
Proceeds from sale of association		-	6.126
Acquisition of non-controlling interests' shares		-	(4.059)
Dividend received		22.767	15.027
C. CASH FLOWS FROM FINANCING ACTIVITIES		50.623	86.328
Proceeds from borrowings		827.884	605.460
Repayments of borrowings		(732.817)	(347.841)
Payments of financial lease obligations		(44.444)	(33.016)
Dividend paid	5	-	(138.275)
CHANGE IN CASH AND CASH EQUIVALENTS BEFORE CURRENCY TRANSLATION RESERVE EFFECT		(141.105)	(284.106)
D. CURRENCY TRANSLATION RESERVE EFFECT ON CASH AND CASH EQUIVALENTS		28.018	76.096
NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS		(113.087)	(208.010)
E. CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		1.055.153	1.063.761
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		942.066	855.751

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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 2014

(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 2014, the Group has 14.586 employees (31 December 2013: 15.514) including the personnel of subcontractors. Registered address of the Company is Kültür Mahallesi, Budak 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 2014:

The Company granted its subsidiary, Tekfen Kültür Sanat Ürünleri Yapım ve Yayın San. Tic. A.Ş., which is consolidated with the full consolidation method and whose amount of total net assets is 153 in the consolidated financial statements, to Tekfen Eğitim Sağlık Kültür Sanat ve Doğal Varlıkları Koruma Vakfı based on board of directors' resolution dated 31 January 2014.

Toros Tarımsal Ürünler Pazarlama Hizmet ve Ticaret A.Ş., a subsidiary wholly owned by the Group, whose field of activity is marketing of fertilizer products, is established and published in trade registry gazette on 25 March 2014. It is included in the accompanying condensed consolidated financial statements using the full consolidation method.

TGO İnşaat Taahhüt Ticaret Sanayi Ltd. Şti, which is recognised in the consolidated financial statements as of 31 December 2013 in relation to Group's interest in the joint operation, is not included in consolidation due to the completion of the project.

Approval of condensed consolidated financial statements:

The condensed consolidated financial statements are approved and published by the Board of Directors as of 6 November 2014.

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 local currencies and 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.

The Group has preferred to disclose its interim consolidated financial statements as of 30 September 2014 in condensed format in accordance with TAS 34 "Interim Financial Reporting" standard. The descriptions and disclosures which are needed in the financial statements prepared annually complying with TAS 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 2013 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 2013.

Exchange rates used in the consolidation process as of 30 September 2014 are; 1 USD= 2,2789 TL, 1 EUR= 2,8914 TL, 1 MAD= 0,26258 TL, 1 SAR= 0,60770 TL, 1 QAR= 0,62435 TL (Exchange rates as of 31 December 2013 are; 1 USD= 2,1343 TL, 1 EUR= 2,9365 TL, 1 MAD= 0,26277 TL, 1 SAR= 0,56915 TL, 1 QAR=0,58474 TL).

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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 2014

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

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

Comparative Information and Reclassification of Prior Period Condensed 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 current year condensed consolidated financial statements, comparative information is reclassified and significant changes are disclosed if necessary. In the current year, the Group had made a reclassification in prior period condensed consolidated financial statements in order to provide conformity with the current period's presentation. The nature, reason and amount the reclassification is described below:

Currency translation reserves shown in gross value amounting to 12.086 is netted off with the reclassification between "Financial Income" and "Financial Expense" accounts in the condensed consolidated financial statements as of 30 September 2013. In the scope of TAS 33 Earnings per share, this reclassification has no effect on earnings per share calculation.

3. ADOPTION OF NEW AND REVISED STANDARDS

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

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

None.

(b) Standards and interpretations and amendments to existing standards that are effective as of the year 2014, but not affecting the financial statements of the Group:

- TFRS 10, TFRS 11 and TAS 27 (amendments), "Investment Entities", will be effective for annual periods beginning on or after 1 January 2014.
- TAS 32 (amendment), "Offsetting Financial Assets and Financial Liabilities", will be effective for annual periods beginning on or after 1 January 2014.
- TAS 36 (amendment), "Recoverable Amount Disclosures for Non-Financial Assets", will be effective for annual periods beginning on or after 1 January 2014.
- TAS 39 (amendment), "Novation of Derivatives and Continuation of Hedge Accounting", will be effective for annual periods beginning on or after 1 January 2014.
- TFRS Interpretation 21, "Levies", will be effective for annual periods beginning on or after 1 January 2014.

(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:

- 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", on November 2013, it is tentatively decided that the mandatory effective date of TFRS 9 will be no earlier than annual periods beginning on or after 1 January 2018. This amendment has not been published by POA yet.
- TAS 19 (amendment), "Benefits Provided to Employees", will be effective for annual periods beginning on or after 30 June 2014.
- Annual Improvements to 2010-2012 Cycle (TFRS 2, TFRS 3, TFRS 8, TFRS 13, TAS 16 ve TMS 38, TAS 24, TFRS 9, TAS 37, TAS 39), will be effective for annual periods beginning on or after 30 June 2014.
- Annual Improvements to 2011-2013 Cycle (TFRS 3, TFRS 13, TAS 40), will be effective for annual periods beginning on or after 30 June 2014.
- TAS 16 and TAS 38 (amendments), "Clarification of Acceptable Methods of Depreciation and Amortisation" will be effective for annual periods beginning on or after 31 December 2015.

TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2014

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

4. EVENTS AND TRANSACTIONS MATERIALLY AFFECTING CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(a) New Project

Azfen, which is the joint venture of Tekfen İnşaat ve Tesisat A.Ş., the subsidiary of the Group, with a 40% share and which is included in the consolidated financial statements by the equity method, entered an equal-share partnership with Saipem for the construction of a gas pipeline project in Azerbaijan and Georgia as part of the Şah Deniz Phase 2 investment. The total consideration for the contract is 1.674.992 (USD 735 million) and the Group's share is approximately 334.998 (USD 147 million).

(b) Developments in Libya

Tekfen-TML J.V., a joint operation of which 67% is owned by the Group, had to suspend its operations and evacuate its sites in Libya from 2011 February for an uncertain period of time due to the civil unrest in the country.

On 21 November 2012, the Authority and Tekfen-TML J.V. agreed to meet and negotiate the subjects of the determination of losses and damages, the allowance payments of completed contract works and the resumption and completion of the remaining contract works. The negotiations between the Authority and Tekfen-TML J.V. also continued in the year 2014 for providing the resumption of the J.V.'s operations and the parties agreed to make final reconciliation of the subjects mentioned above.

Additionally, Libyan Ministry of Water Resources and the Board of Directors of the Authority have not approved the agreed change orders yet. Moreover, maintenance of safety conditions is determined as main condition for the completion of remaining contract works.

As of 30 September 2014, the negotiations are continuing to be held about the outlook of the operations and the accompanying condensed consolidated financial statements include total assets of 240.989 (USD 105.748 thousand), total debt of 52.000 (USD 22.818 thousand), resulting a net asset of 188.989 (USD 82.930 thousand) (31 December 2013: asset: 225.089 (USD 105.463 thousand), debt: 49.516 (USD 23.200 thousand), net asset: 175.573 (USD 82.263 thousand)).

Additionally, letters of guarantees given related to such projects to various institutions amount to 36.484 (USD 16.009 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.

(c) Other

On 11 August 2014, the Group signed a preliminary sales contract indicating that sales and transfer of shares will occur only if parties' specified conditions are fulfilled in order to sell all shares of its subsidiary, Papfen Limited Liability Company, which is consolidated with the full consolidation method and whose amount of total net assets as of the balance sheet date is 6.823. Net assets of Papfen amounting to 6.823 has been classified to the account of "Assets Classified as Held for Sale" in the condensed consolidated financial statements in the current period and the final sales contract has not been signed yet, because the obligations of the parties have not been completed as of the report date.

With Toros Tarım's Board of Directors' resolution dated 20 June 2012, it is decided that an investment amounting to 528.705 (USD 232 million) will be made and 40% of this amount will be met by shareholders' equity. With Toros Tarım's Board of Directors' resolution dated 7 January 2013, the amount of the investment is increased by 154.965 (USD 68 million) and the total amount of the investment is 683.670 (USD 300 million). As of the balance sheet date, ongoing investments are worth around 483 Million TL, besides advance payments made for these investments amounting to 47.054 is classified under long term prepaid expenses. ECA (SACE) bank loan is obtained from Unicredit Bank Austria AG for related investments in August 2013. The amount used until the balance sheet date is 159.611 (EUR 55.202 thousand). A bank loan from Deutsche Bank amounting to 66.895 (EUR 23.136 thousand) is obtained up to the date of 30 September 2014 for the investments. In the subsequent period, the use of new loans has been realized from Deutsche Bank amounting to 10.022 (EUR 3.466 thousand).

Tekfen Emlak Geliştirme Yatırım ve Ticaret A.Ş., a subsidiary of the Company, recognized the advances from the pre-sales of Esenyurt Project amounting 18.465 under the long term deferred revenue account.

TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2014

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

5. SIGNIFICANT CHANGES IN EQUITY

Gain on Revaluation and Reclassification:

The positive change of 3.850 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 2013: negative change of 31.780).

Restricted Profit Reserves:

In accordance with the resolutions taken during the Ordinary General Assemblies of Group companies as of 30 September 2014, 19.352 of restricted reserves were transferred from retained earnings in the condensed consolidated financial statements as of 30 September 2014 (30 September 2013: 22.368).

Profit Distribution:

Upon the resolution of the Ordinary General Assembly held on 15 April 2014, it is decided not to distribute any dividend due to the occurrence of loss for the year in accordance with the CMB standards. (For the operations of the year 2012, gross profit shares of 132.220 and 6.055 in the aggregate 138.275 were distributed respectively to owners of the parent and Tekfen Eğitim Sağlık Kültür Sanat ve Doğal Varlıkları Koruma Vakfı which holds redeemed share.)

TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2014

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

6. SEGMENTAL REPORTING

a) Segmental results

	1 January - 30 September 2014				
	Contracting	Agriculture	Real Estate	Other	Total
Revenue	1.981.149	1.145.342	19.541	50.837	3.196.869
Cost of revenue (-)	(1.852.626)	(866.989)	(17.661)	(32.932)	(2.770.208)
GROSS PROFIT	128.523	278.353	1.880	17.905	426.661
General administrative expenses (-)	(49.408)	(17.715)	(2.859)	(19.582)	(89.564)
Marketing expenses (-)	(660)	(82.577)	(2.015)	(6.285)	(91.537)
Research and development expenses (-)	-	-	-	-	-
Other operating income	53.930	72.317	1.555	1.370	129.172
Other operating expenses (-)	(50.475)	(83.141)	(924)	(1.274)	(135.814)
Share on profit / loss of investments valued using equity method	19.053	1.312	-	-	20.365
OPERATING PROFIT/(LOSS)	100.963	168.549	(2.363)	(7.866)	259.283
Investment income	2.998	1.433	35	5.965	10.431
Investment expense (-)	-	(37)	-	-	(37)
PROFIT/(LOSS) BEFORE FINANCIAL INCOME/(EXPENSE)	103.961	169.945	(2.328)	(1.901)	269.677
Financial income	7.045	42.351	348	96.706	146.450
Financial expense (-)	(26.773)	(37.194)	(25)	(37.327)	(101.319)
PROFIT/(LOSS) BEFORE TAXATION	84.233	175.102	(2.005)	57.478	314.808
Tax expense	(20.199)	(25.251)	439	(16.437)	(61.448)
PROFIT/(LOSS) FOR THE PERIOD	64.034	149.851	(1.566)	41.041	253.360

The Group has 56.878 of revenue and 25.436 of operating income from terminal operations classified as agricultural operation for the period of 1 January - 30 September 2014.

Translated into English from the report originally issued in Turkish.

TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2014

(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 2014				
	Contracting	Agriculture	Real Estate	Other	Total
Revenue	709.079	324.981	6.333	14.345	1.054.738
Cost of revenue (-)	(681.046)	(252.155)	(6.023)	(9.151)	(948.375)
GROSS PROFIT	28.033	72.826	310	5.194	106.363
General administrative expenses (-)	(14.218)	(6.335)	(966)	(6.121)	(27.640)
Marketing expenses (-)	(224)	(22.992)	(1.688)	(2.029)	(26.933)
Research and development expenses (-)	-	-	-	-	-
Other operating income	23.770	14.995	1.418	255	40.438
Other operating expenses (-)	(14.907)	(30.799)	(920)	(359)	(46.985)
Share on profit / loss of investments valued using equity method	10.013	892	-	-	10.905
OPERATING PROFIT/(LOSS)	32.467	28.587	(1.846)	(3.060)	56.148
Investment income	116	1	4	7	128
Investment expense (-)	-	(35)	-	-	(35)
PROFIT/(LOSS) BEFORE FINANCIAL INCOME/(EXPENSE)	32.583	28.553	(1.842)	(3.053)	56.241
Financial income	2.487	11.999	91	29.112	43.689
Financial expense (-)	(12.048)	(2.991)	(4)	(6.261)	(21.304)
PROFIT/(LOSS) BEFORE TAXATION	23.022	37.561	(1.755)	19.798	78.626
Tax expense	(1.434)	(2.252)	366	(5.889)	(9.209)
PROFIT/(LOSS) FOR THE PERIOD	21.588	35.309	(1.389)	13.909	69.417

The Group has 22.855 of revenue and 9.987 of operating income from terminal operations classified under agricultural operations for the period of 1 July - 30 September 2014.

Translated into English from the report originally issued in Turkish.

TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2014

(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 2013				
	Contracting	Agriculture	Real Estate	Other	Total
Revenue	1.747.379	1.050.277	22.577	50.279	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	7.601	14.466	805	81.386	104.258
Financial expense (-)	(29.386)	(7.641)	(2.312)	(22.601)	(61.940)
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 as under agricultural operation 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

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2014

(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	Total
Revenue	599.823	285.908	5.735	14.616	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	5.616	4.037	96	26.962	36.711
Financial expense (-)	(14.550)	(2.054)	(15)	(6.251)	(22.870)
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.

TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2014

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

6. SEGMENTAL REPORTING (cont'd)

b) As of 30 September 2014 and 31 December 2013 segmental assets and liabilities are as follows:

Balance sheet	30 September 2014				
	Contracting	Agriculture	Real Estate	Other	Total
Total assets	2.223.573	1.611.223	164.764	997.136	4.996.696
Current and non-current liabilities	1.855.758	729.149	138.801	79.827	2.803.535
Equity attributable to owners of the parent	200.164	591.090	18.503	1.349.222	2.158.979
Non-controlling interests	33.877	238	-	67	34.182

Balance sheet	31 December 2013				
	Contracting	Agriculture	Real Estate	Other	Total
Total assets	2.217.424	1.312.260	129.460	1.038.276	4.697.420
Current and non-current liabilities	1.882.713	652.739	107.544	132.227	2.775.223
Equity attributable to owners of the parent	143.702	451.509	20.295	1.274.648	1.890.154
Non-controlling interests	31.789	189	-	65	32.043

Translated into English from the report originally issued in Turkish.

TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2014

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

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 2014 and 2013 is as follows:

	1 January - 30 September 2014				
	Contracting	Agriculture	Real Estate	Other	Total
Capital expenditures (*)	19.538	298.456	988	400	319.382
Depreciation and amortization expense for the period (**)	49.233	16.195	242	3.283	68.953
Intra-segment revenue	89.481	16.680	61	157	106.379
Inter-segment revenue	26	831	382	5.239	6.478

	1 July - 30 September 2014				
	Contracting	Agriculture	Real Estate	Other	Total
Capital expenditures (*)	2.108	90.805	647	10	93.570
Depreciation and amortization expense for the period (**)	15.188	4.386	92	1.094	20.760
Intra-segment revenue	15.915	5.791	6	54	21.766
Inter-segment revenue	3	277	126	1.745	2.151

(*) Fixed assets purchases through financial lease amounting to 2.189 (2013: 6.861) and capitalized borrowings costs amounting to 2.439 (2013:None) are also included.

(**) Depreciation expense of 269 is deducted from the cost of inventory (30 September 2013: 1.900 added to the cost of inventory).

Translated into English from the report originally issued in Turkish.

TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2014

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

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 2014 and 2013 is as follows (cont'd):

	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
Intra-segment revenue	70.708	15.319	178	137	86.342
Inter-segment revenue	19	867	302	4.905	6.093

	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
Intra-segment revenue	29.522	5.015	61	46	34.644
Inter-segment revenue	1	185	102	1.648	1.936

Translated into English from the report originally issued in Turkish.

TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2014

(Amounts are expressed in thousands of Turkish Lira ("TL") 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 - 30 September 2014)	1.796.572	970.056	82.306	457.726	3.066	(112.857)	3.196.869
Total assets (30 September 2014)	5.941.942	1.993.224	370.700	683.330	168.397	(4.160.897)	4.996.696
Capital expenditures (1 January - 30 September 2014)	302.447	4.018	71	12.846	-	-	319.382

	Turkey	CIS	Northern Africa	Middle Eastern Countries	Other	Eliminations	Total
Revenue (1 July - 30 September 2014)	506.768	432.360	9.060	129.515	952	(23.917)	1.054.738
Capital expenditures (1 July - 30 September 2014)	92.264	541	71	694	-	-	93.570

	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 (31 December 2013)	5.382.474	1.726.942	385.965	722.194	78.812	(3.598.967)	4.697.420
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

Translated into English from the report originally issued in Turkish.

TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2014

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

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 829.893 (31 December 2013: 996.633). 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 2014	31 December 2013
Short term trade receivables		
Receivables from Contracting group operations	406.938	500.337
Receivables from Agriculture group operations	215.044	159.088
Receivables from Real Estate group operations	5.526	1.106
Other trade receivables	23.797	24.706
Provision for doubtful receivables	(44.285)	(32.675)
Retention receivables (Note: 10)	108.034	123.337
Due from related parties	12.537	9.081
Other	4.461	4.709
	<u>732.052</u>	<u>789.689</u>
Long term trade receivables		
Retention receivables (Note: 10)	56.259	84.225
Receivables from Real Estate group operations	3.089	-
	<u>59.348</u>	<u>84.225</u>

Post dated cheques amounting to 140.569 (31 December 2013: 131.730), notes receivables amounting to 7.099 (31 December 2013: 45), negative foreign currency differences amounting to (65) (31 December 2013: (10)) and due date differences amounting to 14 (31 December 2013: 88) 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 59 days (31 December 2013: 81 days), for domestic projects is 42 days (31 December 2013: 43 days), for Agriculture segment is 40 days (31 December 2013: 37 days), for Real Estate segment is 132 (31 December 2013: 36 days), and for other segments is 126 days (31 December 2013: 80 days).

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

	2014	2013
Provision as at 1 January	(32.675)	(17.090)
Charge for the period	(10.247)	(423)
Collected	85	79
Currency translation effect	(1.448)	(273)
Provision as at 30 June	<u>(44.285)</u>	<u>(17.707)</u>

9.611 (2013: None) of doubtful receivable charge for the period has been charged to cost of revenue and 636 (2013: 423) to general administration expenses.

TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2014

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

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 2014	31 December 2013
Short term trade payables		
Trade payables from Contracting group operations	591.466	663.618
Trade payables from Agriculture group operations	397.308	440.831
Trade payables from Real Estate group operations	3.076	1.641
Due to related parties	465	444
Retention payables (Note: 10)	17.073	23.954
Other trade payables	10.155	15.122
	<u>1.019.543</u>	<u>1.145.610</u>
	30 September 2014	31 December 2013
Long term trade payables		
Retention payables (Note: 10)	52.726	23.569
Trade payables from Contracting group operations	84	82
	<u>52.810</u>	<u>23.651</u>

Notes payables amounting to 797 (31 December 2013: 18.123), and foreign currency differences amounting to 50.367 (31 December 2013: 86.049) are included in short and long term trade payables. There are no past-dated cheques (31 December 2013: 248).

For Agriculture Group, payables attributable to inventory supplied through imports constitute 95% (31 December 2013: 96%) of trade payables as at balance sheet date and average payable period for these import purchases is 180 days (31 December 2013: 131 days) whereas average payable period for domestic purchases is 30 days (31 December 2013: 30 days).

For Contracting segment, import purchases through letter of credit constitute 2% (31 December 2013: 4%) of trade payables as at balance sheet date. The average payable period for these import purchases is 92 days (31 December 2013: 76 days) whereas the average payable period for other purchases is 84 days (31 December 2013: 84 days).

The average payable period for Real Estate segment is 40 days (31 December 2013: 36 days).

For the other operations of the Group, the average payable period is 78 days (31 December 2013: 53 days).

TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2014

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

9. INVENTORIES

	30 September 2014	31 December 2013
Raw materials	41.561	48.741
Work in progress	94.553	46.487
Finished goods	57.493	41.734
Trading goods	22.961	38.169
Goods in transit	98.946	52.066
Inventory from real estate projects	128.760	110.936
Inventory at construction sites	157.585	149.679
Other inventories	31.131	33.429
Allowance for impairment on inventory (-)	(309)	(67)
	<u>632.681</u>	<u>521.174</u>

During the nine month interim period ended 30 September 2014, borrowing costs capitalized in inventory amount to 11.495 (31 December 2013: 11.454).

Movement of allowance for impairment of inventory	2014	2013
Provision as of 1 January	(67)	(983)
Charge for the period	(272)	(235)
Currency translation effect	-	(44)
Provision released	30	1.022
Provision as of 30 September	<u>(309)</u>	<u>(240)</u>

Group has identified some inventories whose net realizable value is less than its current cost. Accordingly, the amount of 309 (30 September 2013: 240) 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 0 (30 September 2013: 369).

TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2014

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

10. CONSTRUCTION CONTRACTS

	30 September 2014	31 December 2013
Cost incurred on uncompleted contracts	9.318.571	7.531.560
Recognised gain less losses (net)	529.192	481.652
	<u>9.847.763</u>	<u>8.013.212</u>
Less: Billings to date (-)	(9.266.365)	(7.590.158)
	<u>581.398</u>	<u>423.054</u>

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

	30 September 2014	31 December 2013
From customers under construction contracts	670.718	558.960
To customers under construction contracts	(89.320)	(135.906)
	<u>581.398</u>	<u>423.054</u>

	30 September 2014	31 December 2013
<u>Receivables from uncompleted contracts</u>		
Contracts undersigned abroad	595.285	513.876
Contracts undersigned in Turkey	75.433	45.084
	<u>670.718</u>	<u>558.960</u>
<u>Payables to uncompleted contracts</u>		
Contracts undersigned abroad	(89.320)	(135.906)
Contracts undersigned in Turkey	-	-
	<u>(89.320)</u>	<u>(135.906)</u>
	<u>581.398</u>	<u>423.054</u>

The Group has 116.522 of advances given to subcontractors and other suppliers for construction projects classified in short term prepaid expenses (31 December 2013: 130.772). Also, the Group has 274.005 of advances received for contracting projects classified in advances received (31 December 2013: 189.065).

As of 30 September 2014, the Group has 69.799 of retention payables to subcontractors (31 December 2013: 47.523). Also, the amount of retention receivables is 164.293 (31 December 2013: 207.562) (Note: 8).

TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2014

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

11. INVESTMENTS VALUED BY EQUITY METHOD

Joint Ventures	Location of foundation and operation	%	30 September 2014		31 December 2013		Power to appoint	Industry
			Amount	%	Amount			
H-T Fidecilik	Turkey	50%	6.623	50%	5.610	50%	Agriculture	
Azfen	Azerbaijan	40%	57.553	40%	52.841	40%	Construction	
Black Sea Gübre	Turkey	30%	1.028	30%	727	30%	Fertilizer Trade	
Florya Gayrimenkul	Turkey	50%	61.262	50%	61.369	50%	Real Estate	
			<u>126.466</u>		<u>120.547</u>			

Movements of Group's joint ventures during the period is as follows:

	2014	2013
Opening balance as at 1 January	120.547	42.539
Group's share on profit/loss	20.365	25.901
Effect of the newly established joint ventures	-	61.560
Effect of the joint ventures sold	-	(6.168)
Transactions of the joint ventures sold during the year	-	(8.200)
Dividends	(16.172)	(8.717)
Currency translation effect	1.832	3.615
Profit eliminations	(106)	(200)
Closing balance as at 30 September	<u>126.466</u>	<u>110.330</u>

Group's share on profit/loss of joint ventures is as follows:

H-T Fidecilik	1.012	995
Azfen	19.053	24.333
Black Sea Gübre	300	477
Florya Gayrimenkul	-	69
Tekfen Oz (*)	-	27
Joint ventures consolidated by equity method	<u>20.365</u>	<u>25.901</u>

(*) Group has sold its shares in Tekfen Oz, which is consolidated by equity method, to Omurga Konya Gayrimenkul Yatırım A.Ş. on 29 March 2013.

TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2014

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

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

Information related to financial position:

30 September 2014	H-T Fidecilik	Azfen	Black Sea Gübre	Florya Gayrimenkul	Total
Cash and cash equivalents	19	133.736	28.266	93	162.114
Other current assets	25.918	158.974	570	55.100	240.562
Non current assets	13.760	59.689	500	69.972	143.921
Total Assets	<u>39.697</u>	<u>352.399</u>	<u>29.336</u>	<u>125.165</u>	<u>546.597</u>
Short term financial debts	15.902	-	-	-	15.902
Other short term liabilities	9.404	208.517	25.808	197	243.926
Long term financial debts	800	-	-	-	800
Other long term liabilities	346	-	102	2.444	2.892
Total Liabilities	<u>26.452</u>	<u>208.517</u>	<u>25.910</u>	<u>2.641</u>	<u>263.520</u>
Net Assets	13.245	143.882	3.426	122.524	283.077
Group's Ownership Rate	50,00%	40,00%	30,00%	50,00%	
Group's share on Net Assets	<u>6.623</u>	<u>57.553</u>	<u>1.028</u>	<u>61.262</u>	<u>126.466</u>

Translated into English from the report originally issued in Turkish.

TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2014

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

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

Information related to financial position (cont'd):

31 December 2013	H-T Fidecilik	Azfen	Black Sea Gübre	Florya Gayrimenkul	Total
Cash and cash equivalents	7	8.997	1.744	261	11.009
Other current assets	16.293	160.474	605	56.603	233.975
Non current assets	9.285	37.873	393	68.376	115.927
Total Assets	25.585	207.344	2.742	125.240	360.911
Short term financial debts	6.534	-	-	-	6.534
Other short term liabilities	5.906	75.096	318	67	81.387
Long term financial debts	1.600	-	-	-	1.600
Other long term liabilities	325	145	-	2.435	2.905
Total Liabilities	14.365	75.241	318	2.502	92.426
Net Assets	11.220	132.103	2.424	122.738	268.485
Group's Ownership Rate	50,00%	40,00%	30,00%	50,00%	
Group's share on Net Assets	5.610	52.841	727	61.369	120.547

Translated into English from the report originally issued in Turkish.

TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2014

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

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

Information related to profit or loss statement:

1 January - 30 September 2014	H-T Fidecilik	Azfen	Black Sea Gübre	Florya Gayrimenkul	Total
Revenue	27.068	445.111	120.007	-	592.186
Depreciation and amortization expense	621	8.647	87	-	9.355
Operating profit/(loss)	3.021	58.955	(1.166)	-	60.810
Financial income	5	587	2.193	8	2.793
Financial expense (-)	(628)	-	-	-	(628)
Tax income/(expense)	(373)	(11.910)	(25)	(9)	(12.317)
Profit/(Loss) for the period	2.025	47.632	1.001	(1)	50.657
Group's Ownership Rate	50,00%	40,00%	30,00%	50,00%	
Group's share on Profit/(Loss) for the period	1.012	19.053	300	-	20.365
1 July - 30 September 2014	H-T Fidecilik	Azfen	Black Sea Gübre	Florya Gayrimenkul	Total
Revenue	11.464	183.241	30.672	-	225.377
Depreciation and amortization expense	206	3.135	30	-	3.371
Operating profit/(loss)	2.097	30.648	(1.708)	-	31.037
Financial income	2	372	2.024	-	2.398
Financial expense (-)	(193)	-	-	-	(193)
Tax income/(expense)	(272)	(5.987)	(63)	-	(6.322)
Profit for the period	1.632	25.032	252	-	26.916
Group's Ownership Rate	50,00%	40,00%	30,00%	50,00%	
Group's share on Profit/(Loss) for the period	816	10.013	76	-	10.905

Translated into English from the report originally issued in Turkish.

TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2014

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

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

Information related to profit or loss statement (cont'd):

1 January - 30 September 2013	H-T Fidecilik	Azfen	Black Sea Gübre	Florya Gayrimenkul	Total
Revenue	22.069	254.019	85.700	-	361.788
Depreciation and amortization expense	617	5.957	85	-	6.659
Operating profit	2.883	76.106	1.317	145	80.451
Financial income	1	-	2.308	30	2.339
Financial expense (-)	(711)	-	(1.730)	-	(2.441)
Tax income/(expense)	(183)	(15.272)	(304)	(37)	(15.796)
Profit/(Loss) for the period	1.990	60.833	1.591	138	64.552
Group's Ownership Rate	50,00%	40,00%	30,00%	50,00%	
Tekfen OZ (*)					27
Group's share on Profit/(Loss) for the period	995	24.333	477	69	25.901
1 July - 30 September 2013	H-T Fidecilik	Azfen	Black Sea Gübre	Florya Gayrimenkul	Total
Revenue	9.070	96.110	37.334	-	142.514
Depreciation and amortization expense	206	2.190	28	-	2.424
Operating profit	2.045	41.164	683	-	43.892
Financial income	1	-	1.623	17	1.641
Financial expense (-)	(241)	-	(1.727)	326	(1.642)
Tax income/(expense)	(232)	(8.223)	(116)	(69)	(8.640)
Profit for the period	1.572	32.940	463	275	35.250
Group's Ownership Rate	50,00%	40,00%	30,00%	50,00%	
Tekfen OZ (*)					-
Group's share on Profit/(Loss) for the period	786	13.176	139	137	14.238

(*) Group has sold its shares in Tekfen Oz, which is consolidated by equity method, to Omurga Konya Gayrimenkul Yatırım A.Ş. on 29 March 2013.

Translated into English from the report originally issued in Turkish.

TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2014

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

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 2014	2.370.090	19.580	105.249
Currency translation effect	70.098	985	296
Additions	317.807	1.318	257
Disposals	(29.563)	-	-
Disposals due to the grant of subsidiary	(250)	(202)	-
Transfers	(66.852)	977	1.660
Closing balance as of 30 September 2014	2.661.330	22.658	107.462
Accumulated Depreciation and Amortization			
Opening balance as of 1 January 2014	(1.465.378)	(16.269)	(26.474)
Currency translation effect	(44.247)	(817)	-
Disposals due to the grant of subsidiary	250	186	-
Charge for the period	(65.676)	(930)	(2.078)
Disposals	22.127	-	-
Transfers	62.492	(291)	-
Closing balance as of 30 September 2014	(1.490.432)	(18.121)	(28.552)
Carrying value as of 30 September 2014	1.170.898	4.537	78.910
	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)	-
Impairment loss provision	-	(1.211)	-
Transfers as capital in kind	-	-	(15.191)
Transfers	(611)	611	-
Closing balance as of 30 September 2013	2.226.845	18.533	105.046
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	(1.396.286)	(16.394)	(25.789)
Carrying value as of 30 September 2013	830.559	2.139	79.257

Property, plant and equipment includes fixed assets with carrying value of 148.641 purchased through financial lease (30 September 2013: 155.305). 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 2.189 (30 September 2013: 6.861).

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 2014 is 399.205 (30 September 2013: 344.522) according to the valuation carried out by independent expert.

During the period ended on 30 September 2014, borrowing costs capitalized in property, plant and equipment amount to 2.439 (30 September 2013: None). The rate used to determine the amount of borrowing costs eligible for capitalization is 19,40%.

Translated into English from the report originally issued in Turkish.

TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2014

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

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 2015 according to their opening dates. Annual weighted average interest rate of the existing short term loans is 3,35% for US Dollars, 2,47% for EUR and 10,99% for TL (31 December 2013: 3,38% for US Dollars, 2,36% for EUR and 9,6% for TL.). Annual weighted average interest rate of the existing long term loans in terms of US Dollars is 4,08% (31 December 2013: 4,05%).

One of the Group's subsidiaries, Toros Tarım has borrowed ECA (SACE) bank loan from Unicredit Bank Austria AG in August, 2013 for sulfuric acid facility in Samsun factory. The credit amount used until 30 September 2014 is 159.611 (EUR 55.202 thousand). The duration of repayments will last 7 years, including no principal payment within the first 2 years. The interest rate for 6 months is 2% plus Euribor. Toros Tarım fulfilled the financial performance criteria obliged due to the agreement as of 30 September 2014. The Deutsche Bank credit amount used for investments until 30 September 2014 is 66.895 (EUR 23.136 thousand). The duration of repayments will last 6,5 years, including no principal payment within first 1,5 years. The interest rate for 6 months is 0,9% plus Euribor.

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

	30 September 2014	31 December 2013
Short term provisions	41.662	66.988
Long term provisions	36.926	45.160
Total provisions	<u>78.588</u>	<u>112.148</u>
Retirement pay provision	49.440	50.824
Unused vacation pay liability provision	14.408	17.933
Premium provision	9.645	12.629
Total provisions attributable to employee benefits	<u>73.493</u>	<u>81.386</u>
Provision for litigation	4.377	8.112
Other liability provisions	718	22.650
Total other provisions	<u>5.095</u>	<u>30.762</u>
Total provisions	<u>78.588</u>	<u>112.148</u>

TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2014

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

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

	Retirement Pay Provision	Premium Provision	Unused vacation pay liability provision	Total provisions attributable to employee benefits
Opening balance as of 1 January 2014	50.824	12.629	17.933	81.386
Currency translation effect	1.073	56	569	1.698
Charge for the period	15.046	9.466	4.878	29.390
Interest expense	977	-	-	977
Provision paid during the period	(18.671)	(12.506)	(8.972)	(40.149)
Actuarial loss	191	-	-	191
Closing balance as of 30 September 2014	<u>49.440</u>	<u>9.645</u>	<u>14.408</u>	<u>73.493</u>
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 during the period	(11.260)	(11.878)	(7.293)	(30.431)
Actuarial gain	(2.628)	-	-	(2.628)
Closing balance as of 30 September 2013	<u>48.360</u>	<u>9.086</u>	<u>16.732</u>	<u>74.178</u>

The amount payable to employee calculated by one month salary is limited to a maximum 3.438 TL (31 December 2013: 3.438 TL) as of 30 September 2014.

TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2014

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

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 2014	8.112	22.650	30.762
Currency translation effect	50	285	335
Charge for the period	436	337	773
Provision paid during the period	(114)	(466)	(580)
Provision released	(4.107)	(22.088)	(26.195)
Closing balance as of 30 September 2014	4.377	718	5.095
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	7.999	22.569	30.568

Litigations:

As of 30 September 2014, lawsuit filed against the Group is totally 121.640 (31 December 2013: 114.085) and it has been decided to accrue 4.377 (31 December 2013: 8.112) 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

Toros Tarım has acquired all of the public shares of Samsun Gübre Sanayi 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 construction plans, Toros Tarım has filed an annulment action against Municipality at Samsun 1st 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 lawsuits filed at Samsun Administrative Court with the request for cancellation of construction plans prepared by the Municipality are concluded in our favor though the court decision has not been notified yet.

On the other side, new title deeds are received as a result of construction plans prepared ex officio and parceling made by Ministry of Environment and Urbanization related to the parcels on which the facility is located. The Municipality has filed a lawsuit against the Ministry, related with the cancellation of the zoning plan, is still going on at Samsun 1st Administrative Court.

The application to Municipality for operating license is not accepted on the grounds that the Court has given decision for the suspension of the execution for the lawsuit filed by the Municipality against the Ministry.

On 3 November 2014, the Municipality notified for shutdown of the facility and it is decided by the the Court for the suspension of the execution at the lawsuit filed at Samsun 2nd Administrative Court by Toros Tarım for cancellation of this administrative act. The lawsuit related with the cancellation of this administrative act is going on.

Other:

As of 30 September 2014, there are no provisions recognized for the possible expenses of contracting group which may occur in the future under “other liability provisions” (31 December 2013:19.447).

TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2014

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

15. COMMITMENTS AND OBLIGATIONS

The guarantee, pledge and mortgage ("GPM") position tables of the Group as of 30 September 2014 and 31 December 2013 are as follows:

	Equivalent of Thousands TL	Thousands of US Dollars	Thousands of EUR	Other (Equivalent of Thousands TL)
30 September 2014				
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	4.944.850	1.846.980	57.162	570.487
-Guarantee	4.940.350	1.846.980	57.162	565.987
-Pledge	-	-	-	-
-Mortgage	4.500	-	-	4.500
C. GPM given in order to guarantee third parties' debts for the routine trade operations	3.296	-	-	3.296
-Guarantee	3.296	-	-	3.296
-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 30 September 2014	4.948.146	1.846.980	57.162	573.783
	Equivalent of Thousands TL	Thousands of US Dollars	Thousands of EUR	Other (Equivalent of Thousands TL)
31 December 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	1.915.847	589.084	47.760	518.318
-Guarantee	1.914.347	589.084	47.760	516.818
-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	-	-	-	-
iii. Total amount of GPM given on behalf of third parties that are not included group C	-	-	-	-
Total as of 31 December 2013	1.915.847	589.084	47.760	518.318

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

TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2014

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

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.

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

17. EQUITY

Capital / Capital Structure Adjustment

After the changes in the shareholders' structure during the period, the capital structure as of 30 September 2014 and 31 December 2013 is as follows:

Shareholders	(%)	30 September 2014	(%)	31 December 2013
Berker family	19,30%	71.426	19,30%	71.426
Gökyiğit family	19,30%	71.426	19,30%	71.426
Akçağlılar family	10,86%	40.216	19,30%	71.426
Other (*)	4,23%	15.593	4,23%	15.593
Publicly traded (**)	46,31%	171.339	37,87%	140.129
Paid in capital	100,00%	370.000	100,00%	370.000
Capital structure adjustment		3.475		3.475
Restated capital		<u>373.475</u>		<u>373.475</u>

(*)Indicates the total of shareholders with shares less than 5% of the capital.

(**)23.102.644 (6,24%) shares at 1 TRY par value of publicly traded shares are under the control of founding shareholder families as of 30 September 2014 (31 December 2013: 14.892.694 share; 4,03%).

18. EARNINGS PER SHARE

	1 January - 30 September 2014	1 July - 30 September 2014	1 January - 30 September 2013	1 July - 30 September 2013
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)	253.394	69.444	5.858	(35)
Earnings per share from operations (TL)	0,685	0,188	0,016	-

TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2014

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

19. OTHER OPERATING INCOME AND EXPENSES

	1 January - 30 September 2014	1 July - 30 September 2014	1 January - 30 September 2013	1 July - 30 September 2013
<u>Other Operating Income</u>				
Foreign exchange gains of working capital	106.087	34.148	53.283	14.042
Discount income	1.935	304	6.252	1.627
Due date difference income	10.812	3.217	8.157	3.627
Indemnity income	786	198	3.701	1.883
Scrap sale income	1.588	156	1.737	294
Rent income	2.397	763	2.071	735
Project management income	87	-	611	113
Government grants and incentives income	631	214	322	202
Reversal of litigation provision (Note: 14)	219	7	26	4
Other income	4.630	1.431	5.921	1.527
	<u>129.172</u>	<u>40.438</u>	<u>82.081</u>	<u>24.054</u>
	1 January - 30 September 2014	1 July - 30 September 2014	1 January - 30 September 2013	1 July - 30 September 2013
<u>Other Operating Expenses</u>				
Foreign exchange losses of working capital	(121.915)	(45.696)	(91.724)	(32.411)
Grants and contributions	(464)	(104)	(17.577)	(2.015)
Due date difference expense	(3.630)	(2.106)	(3.817)	(1.900)
Discount expense	(4.335)	1.538	(1.209)	(73)
Litigation provision (Note: 14)	(436)	(28)	(547)	(263)
Additional tax expense	(48)	(18)	(56)	-
Damages subject to litigation	(13)	-	-	-
Other expenses	(4.973)	(571)	(6.572)	(821)
	<u>(135.814)</u>	<u>(46.985)</u>	<u>(121.502)</u>	<u>(37.483)</u>

TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2014

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

20. FINANCIAL INCOME AND FINANCIAL EXPENSE

Financial Income:

	1 January - 30 September 2014	1 July - 30 September 2014	1 January - 30 September 2013	1 July - 30 September 2013
Foreign exchange gains	80.834	24.192	55.423	19.804
Interest income	65.582	19.472	48.827	16.905
Other finance income	34	25	8	2
	<u>146.450</u>	<u>43.689</u>	<u>104.258</u>	<u>36.711</u>

Financial Expense:

	1 January - 30 September 2014	1 July - 30 September 2014	1 January - 30 September 2013	1 July - 30 September 2013
Foreign exchange losses	(82.037)	(17.287)	(38.874)	(15.101)
Interest expense	(29.643)	(9.088)	(19.572)	(7.104)
Other finance expenses	(3.573)	(1.253)	(3.978)	(665)
Less: Financial expenses included in costs of property, plant and equipment and inventories	13.934	6.324	484	-
	<u>(101.319)</u>	<u>(21.304)</u>	<u>(61.940)</u>	<u>(22.870)</u>

TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2014
(Amounts are expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

21. FOREIGN CURRENCY POSITION

30 September 2014	Equivalent of Thousands of TL	Thousands of US Dollars	Thousands of EUR	Thousands of GBP	Other (Equivalent of Thousands of TL)
1. Trade Receivables	161.676	23.039	36.074	2	4.861
2. Monetary Financial Assets	188.895	81.193	600	4	2.115
3. Other	113.817	47.115	1.745	44	1.239
4. CURRENT ASSETS	464.388	151.347	38.419	50	8.215
5. Trade Receivables	13.400	4.595	543	-	1.358
6. Monetary Financial Assets	364	-	-	-	364
7. Other	2.232	-	772	-	-
8. NON CURRENT ASSETS	15.996	4.595	1.315	-	1.722
9. TOTAL ASSETS	480.384	155.942	39.734	50	9.937
10. Trade Payables	486.127	174.658	11.788	137	53.509
11. Financial Liabilities	40.983	8.451	5.167	-	6.784
12. Monetary Other Liabilities	78.850	571	3.084	-	68.632
12b. Non Monetary Other Liabilities	24.379	518	33	-	23.103
13. CURRENT LIABILITIES	630.339	184.198	20.072	137	152.028
14. Trade Payables	11.521	-	1.051	-	8.482
15. Financial Liabilities	232.707	1.065	79.643	-	-
16. Monetary Other Liabilities	10.606	729	-	-	8.945
17. NON CURRENT LIABILITIES	254.834	1.794	80.694	-	17.427
18. TOTAL LIABILITIES	885.173	185.992	100.766	137	169.455
19. Net foreign currency assets / liabilities position	(404.789)	(30.050)	(61.032)	(87)	(159.518)
20. Monetary items net foreign currency assets / liabilities position (1+2+5+6-10-11-12-14-15-16)	(496.459)	(76.647)	(63.516)	(131)	(137.654)

Translated into English from the report originally issued in Turkish.

TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2014

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

21. FOREIGN CURRENCY POSITION (cont’d)

31 December 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	130.707	43.778	10.353	-	6.870
2. Monetary Financial Assets	374.626	171.720	1.476	6	3.769
3. Other	90.020	25.533	11.216	31	2.480
4. CURRENT ASSETS	595.353	241.031	23.045	37	13.119
5. Trade Receivables	41.194	1.912	12.242	-	1.165
6. Monetary Financial Assets	4.215	-	-	-	4.215
7. Other	75.505	19.607	11.462	-	-
8. NON CURRENT ASSETS	120.914	21.519	23.704	-	5.380
9. TOTAL ASSETS	716.267	262.550	46.749	37	18.499
10. Trade Payables	632.858	197.885	38.225	101	97.910
11. Financial Liabilities	185.510	41.125	5.908	-	80.388
12. Monetary Other Liabilities	132.074	22.256	7.054	-	63.859
12b. Non Monetary Other Liabilities	9	4	-	-	-
13. CURRENT LIABILITIES	950.451	261.270	51.187	101	242.157
14. Trade Payables	8.632	-	192	-	8.068
15. Financial Liabilities	117.027	2.096	38.329	-	-
16. Monetary Other Liabilities	12.999	464	-	-	12.009
17. NON CURRENT LIABILITIES	138.658	2.560	38.521	-	20.077
18. TOTAL LIABILITIES	1.089.109	263.830	89.708	101	262.234
19. Net foreign currency assets / liabilities position	(372.842)	(1.280)	(42.959)	(64)	(243.735)
20. Monetary items net foreign currency assets / liabilities position (1+2+5+6-10-11-12-14-15-16)	(538.358)	(46.416)	(65.637)	(95)	(246.215)

Translated into English from the report originally issued in Turkish.

TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2014

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

21. 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. Positive number indicates an increase in profit or loss.

	30 September 2014	
	Profit / Loss	
	Appreciation of foreign currencies	Depreciation of foreign currencies
	If US Dollars changes 5% against TL	
US Dollars net assets / liabilities	(3.424)	3.424
	If Euro changes 5% against TL	
Euro net assets / liabilities	(8.823)	8.823
	If other foreign currencies changes 5% against TL	
Other foreign currency net assets / liabilities	(7.992)	7.992
TOTAL	(20.239)	20.239
	31 December 2013	
	Profit / Loss	
	Appreciation of foreign currencies	Depreciation of foreign currencies
	If US Dollars change 5% against TL	
US Dollars net assets / liabilities	(137)	137
	If Euro changes 5% against TL	
Euro net assets / liabilities	(6.307)	6.307
	If other foreign currencies change 5% against TL	
Other foreign currency net assets / liabilities	(12.198)	12.198
TOTAL	(18.642)	18.642

22. SUBSEQUENT EVENTS

None.