

MiGROS



Migros Türk T.A.Ş.

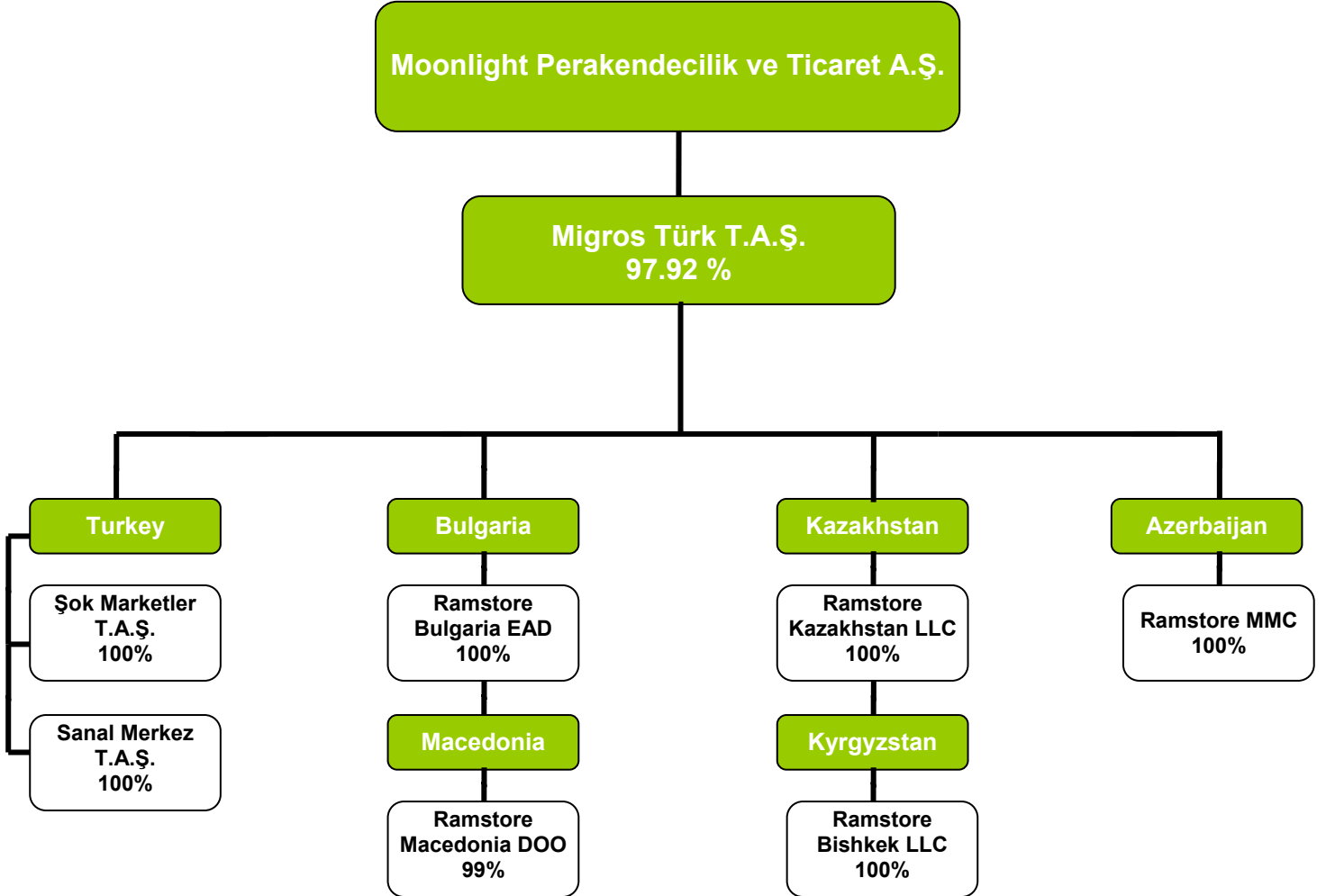
01.01.2009 – 31.03.2009

Interim Annual Report

CORPORATE PROFILE

| | |
|-------------------------------|---|
| Company | : Migros Türk T.A.Ş. |
| The Date of Foundation | : 26.07.1954 |
| Trade Registry Office | : İstanbul Trade Registry Office |
| Trade Registry Number | : 53358 - 4662 |
| Tax Administration | : Büyük Mükellefler Vergi Dairesi |
| Tax ID | : 6210024936 |
| Address | : Turgut Özal Bulvarı No:6 34758 Ataşehir - İstanbul |
| Phone | : 0216 579 30 00 |
| Fax | : 0216 456 59 05 |
| Corporate Web Site | : www.migros.com.tr |
| E-mail | : malimigros@migros.com.tr |
| Registered Capital | : 190.000.000 TL |
| Paid - in - Capital | : 178.030.000 TL |
| Stock Exchange | : İstanbul Stock Exchange |
| IPO | : 1991 |
| Symbol | : MIGRS.IS |

Migros Türk Organigram as of 31 March 2009



INTRODUCTION: AN ECONOMIC REVIEW AND RETAIL MARKET

According to TurkStat (Turkish Statistical Institute), GDP, which rose by 4.2% in real terms in the last quarter of 2007, shrunk by 6.2% and plunged TL 232.2 billion in nominal prices in the last quarter of 2008. GDP, rose by 1.1% in real terms in 2008 and reached TL 950.1 billion with nominal prices. Domestic food, alcoholic beverages, and tobacco consumptions climbed by 2.4% with constant prices in 2008 and have occurred over the GDP, which increased by 1.1% in 2008. In 2008, food, alcoholic beverages, and tobacco consumptions climbed to TL 181.2 billion and registered an increase of 13% at nominal basis.

According to Retail Index results of Trade Council of Shopping Centers and Retailers (TCSCR), sales turnover of organized retail increased by 7% in March over a month ago and not change as compared to March 2008. Annual increase in sales turnover realized 4%. The revenues in food retail market increased by 0.2% in the first quarter of 2009, compared to 2008. The revenues in food retail market increased by 11% in March 2009 as compared to February 2009. There has been no monthly change in non-food retail market. In food retail market, annual increase in sales turnover realized 1%. In food retail, revenues decreased 1% in the first quarter of 2009, as compared to the first quarter of 2008. In non-food retail market, annual increase in sales turnover realized 8%. In food retail, the sales area has jumped by 20% in March 2009. Number of stores rose by 29% as compared to March 2008. In March 2009 organized retail market, increased by 6% over a month ago and decreased by 9% as compared to March 2008. The revenue performance per sqm. in March has recorded an increase of 12% as compared to February 2009 and a decrease of 9% as compared to March 2008.

In terms of CPI (Consumer price index), food and non-alcoholic beverages group rose by 5.08% as compared December 2008. CPI which was 10.06% in 2008 realized 6.13% in April 2009 as compared to April 2008.

The increase of the Cnbc-e Consumer Confidence Index is still going ahead. The Consumer Confidence Index, which was 65.46 in March 2009, has jumped by 30.34% to 85.32 in April 2009.

SECTION 1: CORPORATE INFORMATION

Board of Directors

According to Resolutions of Board of Directors dated 30 May 2008 and 24 July 2008 and Minutes of Extraordinary General Meeting dated 04 September 2008, members of the Board of Directors and Auditors are shown below.

Board of Directors

| | |
|--------------------------------|--------------------------|
| Fevzi Bülent Özaydınlı | Chairman |
| Antonio Belloni | Member |
| Francesco Conte | Member |
| Nicholas Stathopoulos | Member |
| Stefano Ferraresi | Member |
| Brice Cedric Dubourdieu | Member |
| Paolo Federico Ceretti | Member |
| Evren Rıfki Ünver | Member |
| Ömer Özgür Tort | Member / General Manager |
| Warith Mubarak Said Al Kharusi | Member |
| Pedro Miguel Stemper | Member |

Auditors

| | |
|------------------------|---------|
| Mustafa Bilgutay Yaşar | Auditor |
| Yüksel Toparlak | Auditor |
| Recep Bıyık | Auditor |

Also, Stefano Ferraresi and Evren Rıfki Ünver have been elected as the members of the Audit Committee at the Board of Directors Meeting of our company dated 22 October 2008.

Authorities and Duties of The Board of Directors

As of the 11th article of Migros articles of association the Board of Directors has the authority to take all kinds of resolutions other than those subject to the resolution of the General Assembly in accordance with the Law and this Articles of Association.

Authorities and Duties of The Auditors

As of the 15th article of Migros articles of association duties, liabilities and responsibilities of auditors as well as matters pertaining thereto are governed by provisions of the Turkish Commercial Code. Article 275 of the same Act is kept in reserve. A salary or annual remuneration assessed by the General Assembly is paid to each auditor.

The shareholding structure of Migros Türk T.A.Ş.

The registered capital of the company is TL 190,000,000. The names of shareholders, shareholding amounts and percentages of the shareholders holding more than 10% of the existing paid-in-capital of TL 178,030,000 are as follows:

As of 31 March 2009;

| Migros Türk T.A.Ş. | | |
|------------------------------------|---------------|-----------------------|
| Shareholder | Share (%) | Amount (TL) |
| Moonlight Perakendecilik ve T.A.Ş. | 97.92 | 174,323,340.16 |
| Other | 2.08 | 3,706,659.84 |
| Total | 100.00 | 178,030,000.00 |

Information About the Most Recent Capital Increase

No increase was made in the capital during the January – March 2009 period.

Information on General Assembly Meeting

General Assembly Meeting

Meeting Minutes and List of Attendees pertaining to Ordinary General Meeting of our company dated 28.04.2009 have been disclosed in our corporate web site (www.migros.com.tr). At the ordinary general meeting, the consolidated financial statements dated 31.12.2008 prepared according to UFRS, merger process with Moonlight Perakendecilik ve T.A.Ş., Merger Agreement and the other items contained in the General Meeting Agenda were accepted.

Amendments in the articles of association during the period

No change was made in the articles of association during the period

The Dividend Policy of Migros

As it was submitted to shareholders at the Ordinary General Meeting of our company held on 29 April 2008,

In line with the Company's long-term strategies, investments and financing plans and profitability, dividends corresponding to at least to 20% of the attributable profit, computed in accordance with the CMB communiqués and regulations, can be distributed in cash or in the form of bonus shares of stock, or some combination of the two. This is the Company's policy for the next three years. Any change in this policy will be publicly disclosed.

The Dividend Distribution in the Year 2008

At the Ordinary General Meeting of our company held on **28 April 2009**,

In accordance with the 5th article of Capital Markets Board Communiqué Serial: I, No: 31 regarding the Principles of Mergers, any new transaction made, which affect the shareholders' equity over that the merger ratio is calculated, is restrained. Within this context, according to the same article's 4th clause, considering into the necessity of the approval of the general assembly for the decision of dividend distribution to be held after the registration of merger and it has been resolved that, after examining the 2008 year audited and negotiated balance sheet and income statement, after allocating legal reserves from the net profit after tax and remaining the balance as extraordinary reserves, there will be no dividend distribution in order to keep the merger and transfer ratios be the same.

SECTION 2: FINANCIAL INFORMATION

Sales and Revenue

(thousand TL)

| | 1 January – 31 March 2009 | 1 January – 31 March 2008 |
|-----------------------------|---------------------------|---------------------------|
| Domestic sales | 1,237,214 | 1,116,605 |
| Foreign sales | 60,455 | 49,596 |
| | 1,297,669 | 1,166,201 |
| Other sales | 1,766 | 1,221 |
| | 1,299,435 | 1,167,422 |
| Less: Discounts and returns | (27,359) | (15,065) |
| Sales revenue - net | 1,272,076 | 1,152,357 |

The consolidated net sales of our company have increased in the first quarter of 2009 by 10.4% compared to the same period of the previous year and realized as thousand TL 1,272,076. The consolidated sales are composed of domestic sales by 95.2%. The increase in sales stems from the existing stores and the new stores opened during the period between January – March 2009.

Sales By Countries

(thousand TL)

| | 1 January – 31 March 2009 | 1 January – 31 March 2008 |
|------------|---------------------------|---------------------------|
| Turkey | 1,210,407 | 1,101,956 |
| Kazakhstan | 47,830 | 39,024 |
| Bulgaria | 8,356 | 6,851 |
| Azerbaijan | 5,483 | 4,526 |
| | 1,272,076 | 1,152,357 |

Import

The total amount of import was thousand TL 3.127 in 1Q 2008, and increased by 158% to thousand TL 8,068 in 1Q 2009.

The Financial Ratios

The financial resources and the risk management policies

Loans

In the first quarter of 2009, no new loans have been utilized. As from March 31, 2009, the outstanding loan debt of the company stands at thousand TL 79,275, and part of thousand TL 48,946 shall be re-paid within 1 year.

Risk management policies

The company is exposed to various financial risks including effects of the changes in the foreign exchange rates and interest rates due to foreign exchange loans utilized by the company. The risk management is applied by each subsidiary within the framework of the policies approved by the board of Directors.

The financial borrowing foreign exchange risk is followed and limited by analyzing the foreign currency position.

The funding risk of the existing and future debt requirements is managed by maintaining adequate number and high quality of lenders. In order to manage the interest rate risk, the company evaluates the interest bearing assets at the short-term investment instruments within the framework of principle of management by natural precautions by balancing the terms of the assets and liabilities sensitive to the interest rate.

The significant events that take place from ending of the fiscal period to publication of the respective financial statements

In the footnote regarding Events After Balance Sheet Date of the Consolidated Financial Statements, necessary explanations have been made on this matter.

The quality and amount of the capital market instruments that have been issued

N/A.

Main Ratios Corresponding to Financial Structure, Profitability and Reckoning

| Migros IFRS Consolidated Income Statement Summary (Thousand TL) | March 09 | % | March 08 | % | Change % |
|--|------------------|--------------|------------------|--------------|-----------------|
| Net Sales | 1,272,076 | 100.0 | 1,152,357 | 100.0 | 10.4 |
| Cost of sales (-) | -945,535 | -74.3 | -874,356 | -75.9 | 8.1 |
| Gross Profit | 326,541 | 25.7 | 278,001 | 24.1 | 17.5 |
| Operating Expenses | -264,830 | -20.8 | -224,947 | -19.5 | 17.7 |
| Other Income / (Gains) | -281 | 0.0 | 797 | 0.1 | -135.3 |
| Operating Profit | 61,430 | 4.8 | 53,851 | 4.7 | 14.1 |
| Financial Income / (Gains) | 15,607 | 1.2 | 12,196 | 1.1 | 28.0 |
| Income Before Tax | 77,037 | 6.1 | 66,047 | 5.7 | 16.6 |
| Tax Income / (Expenses) | -15,102 | -1.2 | -11,038 | -1.0 | 36.8 |
| Income For The Period | 61,935 | 4.9 | 55,009 | 4.8 | 12.6 |
| <i>Income For The Period-Minority Interest</i> | 16 | 0.0 | 16 | 0.0 | 0.0 |
| <i>Income For The Period-Parent Company Shares</i> | 61,919 | 4.9 | 54,993 | 4.8 | 12.6 |
| EBITDA | 89,890 | 7,1 | 78,033 | 6.8 | 15.2 |

| Migros IFRS Consolidated Balance Sheet Summary (Thousand TL) | March 09 | % | December 08 | % | Change % |
|---|-----------------|----------|--------------------|----------|-----------------|
| Current Assets | 1,637,007 | 56.3 | 1,649,980 | 57.0 | -0.8 |

| | | | | | |
|---|------------------|--------------|------------------|--------------|-------------|
| Non-current Assets | 1,268,228 | 43.7 | 1,246,276 | 43.0 | 1.8 |
| Total Assets | 2,905,235 | 100.0 | 2,896,256 | 100.0 | 0.3 |
| Current Liabilities | 1,150,503 | 39.6 | 1,191,953 | 41.2 | -3.5 |
| Non-current Liabilities | 73,869 | 2.5 | 79,919 | 2.8 | -7.6 |
| Total Liabilities | 1,224,372 | 42.1 | 1,271,872 | 43.9 | -3.7 |
| Parent Company Shareholders' Equity | 1,680,442 | 57.8 | 1,623,997 | 56.1 | 3.5 |
| Minority Interest | 421 | 0.0 | 387 | 0.0 | 8.8 |
| Shareholders' Equity | 1,680,863 | 57.9 | 1,624,384 | 56.1 | 3.5 |
| Total Liabilities and Shareholders' Equity | 2,905,235 | 100.0 | 2,896,256 | 100.0 | 0.3 |

| Consolidated (Thousand TL) | March 09 | % | March 08 | % | Change % |
|---------------------------------------|-----------------|----------|-----------------|----------|-----------------|
| Sales | 1,272,076 | 100.0 | 1,152,357 | 100.0 | 10.4 |
| Gross Profit | 326,541 | 25.7 | 278,001 | 24.1 | 17.5 |
| EBITDA | 89,890 | 7.1 | 78,033 | 6.8 | 15.2 |

| Turkey (Thousand TL) | March 09 | % | March 08 | % | Change % |
|---------------------------------|-----------------|----------|-----------------|----------|-----------------|
| Sales | 1,210,407 | 100.0 | 1,101,956 | 100.0 | 9.8 |
| Gross Profit | 309,307 | 25.6 | 263,891 | 23.9 | 17.2 |
| EBITDA | 82,771 | 6.8 | 71,906 | 6.5 | 15.1 |

| Kazakhstan (Thousand TL) | March 09 | % | March 08 | % | Change % |
|-------------------------------------|-----------------|----------|-----------------|----------|-----------------|
| Sales | 47,830 | 100.0 | 39,024 | 100.0 | 22.6 |
| Gross Profit | 12,421 | 26.0 | 10,087 | 25.8 | 23.1 |
| EBITDA | 4,784 | 10.0 | 3,858 | 9.9 | 24.0 |

| Bulgaria (Thousand TL) | March 09 | % | March 08 | % | Change % |
|-----------------------------------|-----------------|----------|-----------------|----------|-----------------|
| Sales | 8,356 | 100.0 | 6,851 | 100.0 | 22.0 |
| Gross Profit | 3,297 | 39.5 | 2,802 | 40.9 | 17.7 |
| EBITDA | 1,956 | 23.4 | 1,716 | 25.0 | 14.0 |

| Azerbaijan (Thousand TL) | March 09 | % | March 08 | % | Change % |
|-------------------------------------|-----------------|----------|-----------------|----------|-----------------|
| Sales | 5,483 | 100.0 | 4,526 | 100.0 | 21.1 |
| Gross Profit | 1,516 | 27.6 | 1,221 | 27.0 | 24.2 |
| EBITDA | 379 | 6.9 | 553 | 12.2 | -31.5 |

| LIQUIDITY RATIOS | March 09 | December 08 |
|-----------------------------|-----------------|--------------------|
| Current Ratio | 1.42 | 1.38 |
| Liquidity Ratio (Acid-Test) | 1.01 | 0.97 |

| | | |
|----------------------------------|---------|---------|
| Cash Ratio | 0.96 | 0.92 |
| Working Capital (Thousand TL) | 486,504 | 458,027 |
| Cash Conversion Cycle (in days)* | -50.1 | -47.7 |

*It was calculated from average balances.

| FINANCIAL STRUCTURE RATIOS | March 09 | December 08 |
|--|------------------|--------------------|
| Financial Leverage | 0.42 | 0.44 |
| Total Liabilities / Shareholders' Equity | 0.73 | 0.78 |
| Current Liabilities / Total Assets | 0.40 | 0.41 |
| Non-current Liabilities / Total Assets | 0.03 | 0.03 |
| Net Cash Position / Shareholders' Equity | 0.60 | 0.61 |
| Financial Liabilities / Shareholders' Equity | 0.05 | 0.05 |
| Financial Liabilities / Total Assets | 0.03 | 0.03 |
| Total Financial Liabilities (Thousand TL) | 79,275 | 82,002 |
| Interest Coverage Ratio | 81.26 | 37.74 |
| Net Cash Position (Thousand TL) | 1,010,109 | 995,630 |
| Net Foreign Currency Position (Thousand TL) | 182,306 | 137,619 |

| PROFITABILITY RATIOS (%) | March 09 | March 08 |
|---------------------------------|-----------------|-----------------|
| Return On Equity (ROE) | 3.7 | 3.6 |
| Return On Assets (ROA) | 2.1 | 2.1 |
| Gross Profit Margin | 25.7 | 24.1 |
| EBITDA Margin | 7.1 | 6.8 |
| Operating Profit Margin | 4.8 | 4.7 |
| Income Before Tax Margin | 6.1 | 5.7 |
| Net Income Margin | 4.9 | 4.8 |

| SHARE PERFORMANCE RATIOS | March 09 | March 08 | Change % |
|---------------------------------|-----------------|-----------------|-----------------|
| Market Cap (Thousand TL) | 2,332,193 | 3,489,388 | -33.2 |
| Share Price (TL) | 13.10 | 19.60 | -33.2 |
| Earnings Per Share (EPS) (Kr) | 0.35 | 0.31 | 12.9 |
| Price-earnings Ratio (Annual) | 9.4 | 15.9 | -40.6 |

The consolidated sales of our Company which amounted to TL 1.152 million in January - March 2008 were up 10.4% in January – March 2009, reaching TL 1.272 million. The consolidated gross profit climbed to TL 326.5 million, rising drastically up 17.5%. In line with the climb in the consolidated gross profits, consolidated gross profit margin raised from 24.1% to 25.7%. Consolidated operating profit was up 14%, exceeding TL 61 million, while operating profit margin went up to 4.8%. EBITDA amount hiked up 15%, amounting to TL 89.9 million. EBITDA margin jumped from 6.8% to 7.1%. Income before tax was up 17%, exceeding TL 77 million. Net profit rose from TL 55 million to TL 62 million, representing a 13% increase rate.

SECTION 3: OPERATIONAL ACTIVITIES

Position of Migros in the Sector and Investments

Operating in the food and consumer goods sector, Migros Türk T.A.Ş. is engaged in the retail sale of all types of food products and consumer goods, as well as their wholesale for retail consumption. The Company also operates shopping malls in Turkey and abroad through its associates.

The Company commanded a store network of 1.278 stores in total at the end of March 31, 2009, of these 99 M, 102 MM, 44 MMM, 718 Şok, 6 5M, 283 Tansaş and 9 Macrocenter stores in seven geographical regions throughout Turkey, as well as 4 Ramstores in Azerbaijan, 10 Ramstores in Kazakhstan, 2 Ramstores in Macedonia and 1 Ramstore in Kyrgyzstan operated through its associates abroad.

During January – March 2009, Migros Türk T.A.Ş. opened 9 Migros, 15 Tansaş, 1 Macrocenter, 68 Şok and 1 Ramstore stores under:

M format; Kurtuluş, Cemalpaşa, Balcalı, Dört Yol, Yeni Vilayet, Yeni Baraj and Kozan in Adana, Anamur Yeşilyurt in Mersin,

MM format; Zonguldak in Zonguldak,

Mini Tansaş format; Reşatbey, Barajyolu and Küçüksaat in Adana,

Midi Tansaş format; Yeni Adana, Yurt, Huzurevleri and Hayalpark in Adana, İskenderun in Hatay, Yahyakaptan in Kocaeli, Erdemli in Mersin, Bafra in Samsun,

Maxi Tansaş format; Esentepe in Adana, Mezitli and Tömük in Mersin, Şanlıurfa in Şanlıurfa,

Macrocenter format; City's Nişantaşı in İstanbul,

Şok format;

- In Adana Kurttepe,
- In Adıyaman Besni, Eskisaray,
- In Afyon Sandıklı,
- In Ankara Farabi Güven, Yukarı Bahçelievler, Kızılcahamam, Çubuk,
- In Antalya Aşağıhisar, Dokuma Tevfik Fikret, Dutlubahçe, Manavgat Kasaplar,
- In Balıkesir İvrindi,
- In Bursa Gemlik Sahil, Dikkaldırım, Orhangazi,
- In Denizli Acıpayam,
- In Hatay İskenderun Pınarbaşı,
- In Isparta İsmetpaşa, Gazi Kemal,
- In İstanbul Bahçelievler Soğanlıbahçe, Göktürk Çamlık, Göktürk Mandıra Caddesi, Şişli, Büyükçekmece Esenbahçe, Sahrayıcedid Merkez, Üsküdar Özanakent, Büyükçekmece Hilal 86, Halide Edip Adıvar, Şişli Kurtuluş, Beykent İncikonak, Cennet Reyhan Caddesi, Kavacık Otağtepe, Kasımpaşa, Sultangazi, Haznedar Cadde, Bahçelievler Meltem, Okmeydanı Nişangah, Kazasker Hilmipaşa, Selimpaşa Merkez, Çorlu Bahçelievler, Sarıyer
- In İzmir Balçova Ata, Atakent, Ayrancılar, Ödemiş,
- In Kahramanmaraş Yatılı Bölge,
- In Karabük Karabük,
- In Karaman K. Karabekir Paşa,
- In Kocaeli Değirmendere Yüzbaşılar,
- In Kütahya Simav,
- In Manisa Lale Meydanı, Turgutlu Çarşı, Ahmetli,
- In Mersin Mut,
- In Muğla Dalaman Hürriyet, Marmaris, Fethiye Günlükbaşı,
- In Nevşehir Avanos,
- In Niğde Merkez,
- In Ordu Yeni Mahalle,
- In Samsun Terme, 56 Evler,
- In Şanlıurfa Birecik,
- In Tokat Merkez,
- In Trabzon Beşirli,
- In Zonguldak Gökçebey, Karadeniz Ereğli Erdemir,

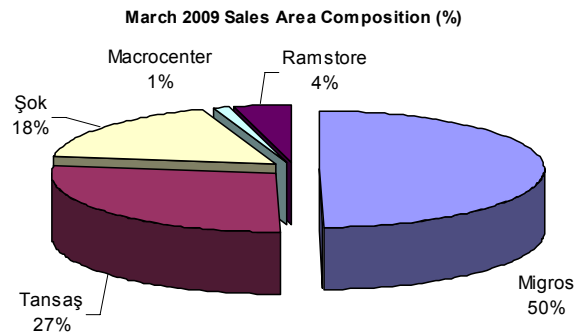
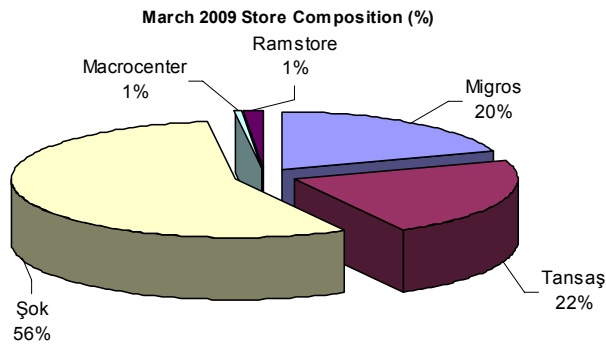
Ramstore format; Suvelan Park in Azerbaijan

The company's domestic net sales area has increased by 21,2% compared to the first quarter of 2008 to 699,466 sqm. The store efficiency as a result of the campaigns conducted and the increased customer satisfaction rose, and the annualized domestic sales per sqm increased to TL 6,922 compared to the same period of the previous year. In the first quarter of 2009, the number of customers has increased by 13% compared to the same period of the previous year and reached a total number of 75 million. The sales per customer increased to TL 16,64.

The sales through Migros Club Card, that continues to be the largest card program of Turkish retail market, reached 82% in January – March 2009.

| Number of Stores | March 2008 | December 2008 | March 2009 |
|--|----------------|----------------|----------------|
| Turkey | | | |
| 5M* | 3 | 6 | 6 |
| MMM | 39 | 44 | 44 |
| MM | 92 | 101 | 102 |
| M | 91 | 93 | 99 |
| Şok | 476 | 652 | 718 |
| Mini | 124 | 133 | 138 |
| Midi | 77 | 86 | 89 |
| Maxi | 48 | 52 | 56 |
| Macrocenter | 8 | 8 | 9 |
| Number of Stores - Domestic | 958 | 1,175 | 1,261 |
| Net Sales Area – Domestic (m ²) | 577,013 | 668,609 | 699,466 |
| International | | | |
| Kazakhstan | 9 | 10 | 10 |
| Azerbaijan | 3 | 3 | 4 |
| Macedonia | 2 | 2 | 2 |
| Kyrgyzstan | 1 | 1 | 1 |
| Number of Stores - International | 15 | 16 | 17 |
| Net Sales Area – International (m ²) | 27,244 | 28,956 | 29,491 |
| Total number of stores | 973 | 1,191 | 1,278 |
| Total net sales area (m²) | 604,257 | 697,565 | 728,957 |

* The Company converted its large stores which did not fall into the M, MM or MMM classification into the 5M format



SECTION 4: The Other Issues

Information About the Ordinary General Assembly Meeting of Migros Türk T.A.Ş. dated 28 April 2009

At the Ordinary General Meeting of our Company held on April 28, 2009, it was decided to merge with the company Moonlight Perakendecilik ve Ticaret A.Ş. in accordance with the regulations of the Capital Market Board, Turkish Commercial Code Article 451 and other relevant articles and the Corporate Tax Code Articles 19 - 20 through the acquisition of our company by the said company as a whole with all its existing assets and liabilities, and consequently, to dissolve our company without liquidation.

In accordance with the Merger Agreement approved by the General Meeting, the merger rate was determined as 0.97918 and stock replacement ratio as 1.00. Registered stock amounting to TL 3,706,660 to be issued by Moonlight due to the merger shall be distributed, in a dematerialized form, to the shareholders of our Company other than Moonlight for replacement with the Migros Türk T.A.Ş. stock they hold.

Documents of the Ordinary General Meeting was registered with Istanbul Trade Registry on 30.04.2009 and published on the Turkish Trade Registry Journal on its volume dated 06.05.2009 and number 7305.

Subsequent to the registration of the Ordinary General Meeting, our Company merged with Moonlight, and is now operating under the name Migros Ticaret A.Ş. effective as of May 01, 2009.

SECTION 5: CORPORATE GOVERNANCE

Statement of Compliance with Corporate Governance Principle

Migros Türk T.A.Ş., as a matter of principle, adheres to Corporate Governance Principles that were adopted by the Capital Markets Board of Turkey (CMB) Resolution No. 35/835 dated July 4, 2003 and announced to the public in July 2003. Migros is aware of the benefits that the implementation of these principles will bring to the Company, its stakeholders and ultimately the country. Deficiencies in implementation are reviewed with a view to continuous improvement and efforts are underway to fix these shortcomings in order for Migros to be an exemplary role model.

The Company adopted the main principles of Corporate Governance which are:

- a) Fairness
- b) Transparency
- c) Responsibility
- d) Accountability

During the year, business processes regarding intra-company reporting and business conduct were improved and made more effective. In 2007, the Company set up the Corporate Governance Committee within the framework of compliance with the Capital Market Legislation and Corporate Governance Principles. Ömer Özgür Tort and Erkin Yılmaz serve as the members of the Corporate Governance Committee. At the Board of Directors meeting of 22 October 2008, Stefano Ferraresi and Evren Rıfki Ünver have been elected as the members of the Audit Committee to serve until the General Assembly to be convened to discuss the Company's 2008 activities.

In an effort to keep the shareholders informed, the Company renewed its corporate website in 2005 and enriched its substance and content during January – March 2009 period, thereby allowing the shareholders to have access to more information about the Company.

The Company's Corporate Governance Principles Compliance Report can be accessed at the corporate website (www.migros.com.tr) in the Investor Relations section, in addition to the annual report.

Investor Relations

As a matter of corporate policy, Migros attaches great importance to relationships with shareholders. A unit that reports to the Assistant General Manager for Finance was created to respond to the shareholders' requests for information about the Company. The unit manages the processes related to the Company's general assembly, capital increases and dividend payments. This unit handles all demands and transactions of the shareholders regarding capital increases and dividend payments.

In addition, the unit represents and acts as the contact center of the Company in its relations with various institutions including the CMB, İstanbul Stock Exchange (ISE), Central Registry Agency Inc. (CRA) and Takasbank (ISE Settlement and Custody Bank Inc). Among the unit's other activities are keeping records of the Board of Directors meetings and material disclosures to the ISE in compliance with the CMB Communiqué Serial: VII No: 39. Within the scope of the Public Disclosure Platform (in Turkish: KAP) of the CMB, these material disclosures and other announcements are also posted on the electronic environment using software developed by TÜBİTAK. Migros' Investor Relations Unit monitors relevant legislation as well as CMB communiqués and informs the senior management about the subjects and issues requiring compliance.

The unit also responds to the information requests about the Company. Using all available means of communication (one-on-one meetings, conference participations, meetings, corporate website, phone, email, investor bulletins, investor presentations, etc.), the unit informs Migros shareholders and brokerage analysts about the Company. The unit is responsible for the preparation of the annual report as well as the coordination of Corporate Governance operations and activities. It identifies the improvement areas, and based on continuous improvement philosophy, supports the Company's senior management to make Migros a role model in this department.

All shareholders requesting information about the Company can submit their queries by sending e-mail to investor_relations@migros.com.tr. All other channels of communication are also available for the shareholders.