MİGROS TİCARET ANONİM ŞİRKETİ

CONVENIENCE TRANSLATION INTO ENGLISH OF CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD 1 JANUARY - 31 MARCH 2010

(ORIGINALLY ISSUED IN TURKISH)

CONVENIENCE TRANSLATION INTO ENGLISH OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

MİGROS TİCARET ANONİM ŞİRKETİ

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE INTERIM PERIOD 1 JANUARY – 31 MARCH 2010

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MİGROS TİCARET ANONİM ŞİRKETİ

CONDENSED CONSOLIDATED BALANCE SHEETS
AT 31 MARCH 2010 AND 31 DECEMBER 2009
(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated.)
(Currencies other than TL are expressed in thousands unless otherwise indicated.)

	Notes	31 March 2010	As Restated 31 December 2009	As Restated 1 January 2009
ASSETS				
Current assets				
Cash and cash equivalents		1.203.785	1.281.287	1.094.452
Trade Receivables		47.001	38.047	28.334
- Other trade receivables		46.977	37.936	26.243
- Due from related parties	20	24	111	2.091
Other receivables		2.011	643	415
Inventories	8	589.833	583.427	498.575
Other current assets		41.867	38.599	28.362
Total current assets		**1.884.497**	**1.942.003**	**1.650.138**
Non-current assets				
Other receivables		1.208	1.341	910
Financial assets		2.215	2.215	2.215
Derivative financial instruments	4	2.754	7.615	-
Investment property	5	55.636	56.941	68.084
Property, plant and equipment	6	1.081.841	1.079.694	1.028.884
Intangible assets	7	309.573	311.739	301.352
Goodwill	9	2.239.210	2.239.210	2.239.210
Other non-current assets		9.697	8.418	2.040
Total non-current assets		**3.702.134**	**3.707.173**	**3.642.695**
Total assets		**5.586.631**	**5.649.176**	**5.292.833**

CONVENIENCE TRANSLATION INTO ENGLISH OF CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

MİGROS TİCARET ANONİM ŞİRKETİ

CONDENSED CONSOLIDATED BALANCE SHEETS
AT 31 MARCH 2010 AND 31 DECEMBER 2009

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated.)
(Currencies other than TL are expressed in thousands unless otherwise indicated.)

	Notes	31 March 2010	As Restated 31 December 2009	As Restated 1 January 2009
Current liabilities				
Current portion of long-term liabilities	10	93.513	74.502	44.024
Derivative financial instruments	4	21.316	13.463	-
Trade payables		1.194.160	1.240.576	1.049.039
- Due to related parties	20	1.360	1.840	148
- Other payables		1.192.800	1.238.736	1.048.891
Other payables		7.807	9.052	16.699
Taxes on income		20.954	-	3.356
Provisions	11	44.776	43.017	36.125
Other current liabilities		61.406	62.632	64.970
Total current liabilities		**1.443.932**	**1.443.242**	**1.214.213**
Non-current liabilities				
Financial liabilities	10	2.379.183	2.504.385	37.978
Derivative financial instruments	4	81.317	64.991	-
Other liabilities		4.002	4.863	4.408
Provision for employee termination benefits	12	10.433	13.974	15.490
Deferred income tax liabilities	18	108.867	116.485	125.013
Total non-current liabilities		**2.583.802**	**2.704.698**	**182.889**
Total liabilities		**4.027.734**	**4.147.940**	**1.397.102**
EQUITY				
Attributable to equity holders of the parent		**1.558.443**	**1.500.775**	**3.865.929**
Share capital	19	178.030	178.030	174.323
Share premium		678.233	678.233	3.534.750
Other capital reserves		(365)	(365)	(365)
Restricted reserves		364.097	364.097	-
Cumulative translation differences		5.873	7.010	18.873
Additional contribution to shareholders' equity related to merger		27.312	27.312	-
Retained earnings		246.458	138.348	-
Net income for the period		58.805	108.110	138.348
Minority interest		454	461	29.802
Total equity		**1.558.897**	**1.501.236**	**3.895.731**
Total liabilities and equity		**5.586.631**	**5.649.176**	**5.292.833**
Contingent assets and liabilities	11			

MİGROS TİCARET ANONİM ŞİRKETİ

CONDENSED CONSOLIDATED STATEMENT OF INCOME
FOR THE INTERIM PERIODS 1 JANUARY – 31 MARCH 2010 AND 2009

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated.)
(Currencies other than TL are expressed in thousands unless otherwise indicated.)

	Notes	1 January - 31 March 2010	As Restated 1 January - 31 March 2009
CONTINUING OPERATIONS			
Revenue (net)	3,13	1.434.086	1.278.669
Cost of sales (-)	3,13	(1.076.779)	(944.410)
GROSS PROFIT	**3,13**	**357.307**	**334.259**
Marketing, selling and distribution expenses (-)	14	(246.861)	(214.835)
General administrative expenses (-)	14	(59.716)	(56.874)
Other operating income	15	2.679	2.304
Other operating expense (-)	15	(2.698)	(2.585)
OPERATING PROFIT	**3**	**50.711**	**62.269**
Financial income	16	99.127	53.202
Financial expense (-)	17	(76.427)	(37.595)
INCOME / (LOSS) BEFORE TAX	**3**	**73.411**	**77.876**
Income tax expense	**18**	**(14.604)**	**(15.384)**
- Income tax expense	18	(22.306)	(15.304)
- Deferred income tax income	18	7.702	(80)
NET INCOME / (LOSS)		**58.807**	**62.492**
Net income / (loss) attributable to:			
Equity holders of the parent		58.805	61.153
Minority interest		2	1.339
		58.807	**62.492**
Earning per share (Kr)	21	0,33	0,35

MİGROS TİCARET ANONİM ŞİRKETİ

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE INTERIM PERIODS 1 JANUARY – 31 MARCH 2010 AND 2009

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated.)
(Currencies other than TL are expressed in thousands unless otherwise indicated.)

	Notes	1 January - 31 March 2010	As Restated 1 January - 31 March 2009
Net income / (loss) for the period		**58.807**	**62.492**
Other comprehensive income / (expense):			
Currency translation differences		(1.146)	(5.456)
Other comprehensive loss for the period		**(1.146)**	**(5.456)**
Total comprehensive income for the period		**57.661**	**57.036**
Total comprehensive income attributable to:			
Equity holders of the parent		57.668	55.697
Minority interest		(7)	1.339
		57.661	**57.036**

MİGROS TİCARET ANONİM ŞİRKETİ

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE INTERIM PERIODS 1 JANUARY – 31 MARCH 2010 AND 2009

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated.)
(Currencies other than TL are expressed in thousands unless otherwise indicated.)

	Notlar	Share capital	Share Premium	Other capital reserves	Restricted reserves	Cumulative translation differences	Additional contribution to equity related to merger	Retained earnings	Net income	Minority interest	Total equity
Balances at 31 December 2008 (As previously reported)		**174.323**	**3.534.750**	**(365)**	**-**	**18.873**	**-**	**-**	**133.067**	**29.802**	**3.890.450**
Effect of restatement	26	-	-	-	-	-	-	-	5.281	-	5.281
Balances at 1 January 2009 (As previously reported)		**174.323**	**3.534.750**	**(365)**	**-**	**18.873**	**-**	**-**	**138.348**	**29.802**	**3.895.731**
Transfers		-	-	-	-	-	-	138.348	(138.348)	-	-
Total comprehensive income		-	-	-	-	(5.456)	-	-	61.153	1.339	57.036
Balances at 31 March 2009		**174.323**	**3.534.750**	**(365)**	**-**	**13.417**	**-**	**138.348**	**61.153**	**31.141**	**3.952.767**
Balances at 31 December 2009 (As previously reported)		**178.030**	**678.233**	**(365)**	**364.097**	**7.010**	**27.312**	**133.067**	**108.024**	**461**	**1.495.869**
Effect of restatement	26	-	-	-	-	-	-	5.281	86	-	5.367
Balances at 1 January 2010 (As previously reported)		**178.030**	**678.233**	**(365)**	**364.097**	**7.010**	**27.312**	**138.348**	**108.110**	**461**	**1.501.236**
Transfers		-	-	-	-	-	-	108.110	(108.110)	-	-
Total comprehensive income		-	-	-	-	(1.137)	-	-	58.805	(7)	57.661
Balances at 31 March 2010		**178.030**	**678.233**	**(365)**	**364.097**	**5.873**	**27.312**	**246.458**	**58.805**	**454**	**1.558.897**

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

MİGROS TİCARET ANONİM ŞİRKETİ

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE INTERIM PERIODS 1 JANUARY – 31 MARCH 2010 AND 2009**
(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated.)
(Currencies other than TL are expressed in thousands unless otherwise indicated.)

	Notes	1 January - 31 March 2010	1 January - 31 March 2009
Operating activities:			
Net income for the period		58.805	61.153
Adjustments to reconcile net income to net cash provided / used by operating activities:			
Minority interest		2	1.339
Depreciation and amortisation	6,7	31.466	31.682
Provision for employment termination benefits	12	(1.387)	2.323
Provision for unused vacation	11	4.982	3.750
Provision for litigation	11	1.164	785
Bad debt provision		230	860
Income tax expense	18	14.604	14.877
Interest income	16	(11.863)	(32.442)
Interest expense	17	46.903	26.878
Gain / (loss) on sale of property, plant and equipment - n	15	(41)	(25)
Impairment of property, plant and equipment	6	-	472
Fair value loss of derivative instruments	4	29.040	-
Unrecognised foreign exchange differences - net		(126.203)	9.031
Cash flows from operating activities before changes in operating assets and liabilities		**47.702**	**120.683**
Changes in operating assets and liabilities:			
Trade receivables		(9.184)	(4.810)
Inventories	8	(6.406)	15.595
Other current assets and other receivables		(4.636)	8.775
Other non current assets		(1.146)	(1.262)
Short-term trade payables		(46.416)	(30.990)
Other current assets and other payables		(2.472)	(30.821)
Long-term trade payables		(862)	-
Employment termination benefits paid	12	(2.154)	(1.155)
Unused vacation paid	11	(2.732)	(1.940)
Income taxes paid	18	(1.073)	(7.037)
compensations paid	11	(1.655)	(758)
Accrued interest		(54)	1.009
Net cash provided from operating activities		**(31.088)**	**67.289**

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

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE INTERIM PERIODS 1 JANUARY – 31 MARCH 2010 AND 2009

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated.)
(Currencies other than TL are expressed in thousands unless otherwise indicated.)

	Notes	1 January - 31 March 2010	1 January - 31 March 2009
Investing activities:			
Purchases of property, plant and equipment	6	(30.936)	(51.311)
Purchase of intangible assets	7	(551)	(918)
Proceeds from sale of property, plant and equipment	15	692	47
Interest received	16	11.917	31.433
Net cash used in investing activities		**(18.878)**	**(20.749)**
Financing activities:			
Bank borrowings paid	10	(10.462)	(11.570)
Interest paid	17	(16.429)	(27.065)
Net cash (used in) / generated from financing activities		**(26.891)**	**(38.635)**
Cumulative translation adjustment		(645)	(2.482)
Net increase in cash and cash equivalents		(77.502)	5.423
Cash and cash equivalents at the beginning of the period		**1.281.287**	**1.094.452**
Cash and cash equivalents at the end of the period		**1.203.785**	**1.099.875**

NOTE 1 - ORGANISATION AND NATURE OF OPERATIONS

Migros Ticaret A.Ş., previously named as Moonlight Perakendecilik ve Ticaret Anonim Şirketi ("Moonlight"), (collectively referred to as "Migros Ticaret" or the "Company"), was established on 19 March 2008 and is registered in Istanbul, Turkey under the Turkish Commercial Code.

Moonlight acquired 50,83% of Migros Türk Ticaret A.Ş. ("Migros Türk") shares on 30 May 2008 from Koç Holding A.Ş. ("Koç Holding") at a price of TL 1.922.440 (Amount expresses in Turkish Lira) subsequent to the approval of the Competition Board. As of 31 December 2008, Moonlight had increased its shares in Migros to 97,92% as a result of purchases made in Istanbul Stock Exchange on various dates (Note 9).

In accordance with the decision taken during Migros Türk's general assembly held on 28 April 2009, Migros Türk decided to merge with Moonlight through a takeover of its assets and liabilities as a whole within the framework of Capital Markets Board ("CMB") regulations, Turkish Commercial Code, Law No. 451, and other related articles and Corporate Tax Law No. 19-20. As a result of the mentioned merger, Moonlight's capital was decided to be increased from TL 174.323.340 (Amount expresses in Turkish Lira) to TL 178.030.000 (Amount expresses in Turkish Lira) and in accordance with the merger agreement approved during the General Assembly, merger ratio of 0,97918 and share exchange ratio of 1,00 was determined. As a result of the merger, registered shares amounting to TL 3.706.660 (Amount expresses in Turkish Lira) issued by Moonlight were distributed to the minority shareholders of Migros Türk in exchange for their Migros Türk shares.

The General Assembly held on 28 April 2009 regarding the merger was registered on 30 April 2009 and the merger had been legally recognised on that date. As a result of the merger, Moonlight's trade name has been changed as Migros Ticaret A.Ş. (Note 24).

The Company will be mentioned as the "Group" together with its subsidiaries. The parent company of Group is MH Perakendecilik ve Ticaret A.Ş. ("MH Perakendecilik"), its shareholding in Migros Ticaret A.Ş is 97,92%.

The Company is mainly engaged in the retail sales of food and beverages, consumer and durable goods through its Migros, 5M, Şok, Tansaş and Macrocenter banner stores in Turkey, shopping centers, Ramstores banner stores abroad and internet. The Company also rents floor space in the shopping malls to other trading companies. As of 31 March 2010, the Group operates in 1.700 stores (2009: 1.586) with a net retail space of 851.371 (2009: 822.127) square meters. Retail is the main business segment of the Group and constitutes almost 97,4 % of gross sales (2009: 97,4%).

The address of the registered office is as follows:

Migros Ticaret A.Ş.
Turgut Özal Caddesi No:12
34758 Ataşehir İstanbul

These consolidated financial statements as at and for the quarter ended 31 March 2010 have been approved for issue by the Board of Directors on14 May 2010. The owners of the Company have the power to amend the interim consolidated financial statements after the issue in the General Assembly meeting of the Company.

NOTE 1 - ORGANISATION AND NATURE OF OPERATIONS (Continued)

Subsidiaries:

The Company has the following subsidiaries (the "Subsidiaries"). The nature of the business of the Subsidiaries and for the purpose of the condensed consolidated interim financial statements, their respective geographical segments are as follows:

Subsidiary	Country of incorporation	Geographical segment	Nature of business
Ramstore Mahdud Mesuliyyetli Cemiyeti ("Ramstore Azerbaijan")	Azerbaijan	Azerbaijan	Retailing
Ramstore Bulgaria E.A.D. ("Ramstore Bulgaria")	Bulgaria	Bulgaria	Dormant
Ramstore Kazakhstan LLC ("Ramstore Kazakhstan")	Kazakhstan	Kazakhstan	Retailing
Ramstore Macedonia DOO ("Ramstore Macedonia")	Macedonia	Bulgaria	Retailing
Ramstore Bishkek LLC ("Ramstore Bishkek")	Kyrgyzstan	Kazakhstan	Dormant
Şok Marketler Ticaret A.Ş. ("Şok Marketler")	Turkey	(*)	Trade (Dormant)
Sanal Merkez Ticaret A.Ş. ("Sanal Merkez")	Turkey	(*)	Trade

(*) Not included in the scope of consolidation on the grounds of materiality.

NOTE 2 - BASIS OF PRESENTATION OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

2.1 Financial Reporting Standards

The condensed consolidated interim financial statements of Migros have been prepared in accordance with the accounting and reporting principles issued by the Capital Markets Board ("CMB"), namely "CMB Financial Reporting Standards". CMB regulated the principles and procedures of preparation, presentation and announcement of financial statements prepared by the entities with the Communiqué No: XI-29, "Principles of Financial Reporting in Capital Markets" ("the Communiqué"). According to the Communiqué, entities shall prepare their financial statements in accordance with International Financial Reporting Standards ("IAS/IFRS") endorsed by the European Union. Until the differences of the IAS/IFRS as endorsed by the European Union from the ones issued by the International Accounting Standards Board ("IASB") are announced by Turkish Accounting Standards Board ("TASB"), IAS/IFRS issued by the IASB shall be applied. Accordingly, Turkish Accounting Standards/Turkish Financial Reporting Standards ("TAS/TFRS") issued by the TASB which are in line with the aforementioned standards shall be considered.

With the decision taken on 17 March 2005, the CMB announced that, effective from 1 January 2005, for companies operating in Turkey and preparing their financial statements in accordance with CMB Financial Reporting Standards, the application of inflation accounting is no longer required Accordingly, IAS 29, "Financial Reporting in Hyperinflationary Economies", issued by the IASB, has not been applied in the financial statements for the accounting periods starting 1 January 2005.

In accordance with the Communiqué No: XI-29, the entities are allowed to prepare a complete or condensed set of interim financial statements in accordance with IAS 34, "Interim Financial Reporting". In this respect, the Group has preferred to prepare condensed consolidated interim financial statements in the interim periods and prepared the mentioned condensed consolidated interim financial statements in compliance with CMB Financial Reporting Standards.

NOTE 2 - BASIS OF PRESENTATION OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

As the differences of the IAS/IFRS endorsed by the European Union from the ones issued by the IASB have not been announced by TASB as of the date of preparation of these condensed consolidated interim financial statements, the condensed consolidated interim financial statements have been prepared within the framework of Communiqué XI, No: 29 and related promulgations to this Communiqué as issued by the CMB in accordance with the accounting and reporting principles accepted by the CMB ("CMB Financial Reporting Standards") which are based on IAS/IFRS. The condensed consolidated interim financial statements and the related notes to them are presented in accordance with the formats required by the CMB that announced in weekly newsletters numbered 2008/16, 2008/18, 2009/2 2009/4 and 2009/40 including the compulsory disclosures.

The condensed consolidated interim financial statements are prepared in Turkish Lira ("TL") based on the historical cost convention except for the financial assets and liabilities which are expressed with their fair values.

2.2 Summary of Significant Accounting Policies

The significant accounting policies used in the preparation of the condensed consolidated interim financial statements together with the explanations of annual consolidated financial statements for the period 1 January - 31 December 2009 are consistent except for issues mentioned below:

The Group reviewed the accounting policy adopted in the previous periods for the measurement of the inventory which was determining the cost by the monthly moving weighted average method previously and adopts to measure the cost value by calculated over the most recent purchase price and revalues its inventories. Effects of restated application have been specified in Note 26.

The condensed consolidated interim financial statements prepared for the interim period 1 January – 31 March 2010 should be read in conjunction with the annual consolidated financial statements for the year ended 31 December 2009.

Expenses which have not been allocated evenly during the one year fiscal period, have been taken into consideration in the condensed consolidated interim financial statements in cases where only if these expenses can be anticipated or deferred accordingly in the fiscal year end.

2.3 New and Revised International Financial Reporting Standards

The following new and revised Standards and Interpretations have been adopted in the current period and have affected the amounts reported and disclosures in these financial statements. Details of other standards and interpretations adopted in these financial statements but that have had no impact on the financial statements are set out in later parts of this section.

<u>2.3.1 Standards and Interpretations that have been adopted with no effect on the March 2010 financial statements:</u>

IFRS 1 (amendments) ***First-time Adoption of IFRS – Additional Exemptions***
IFRS 1 has been amended to provide additional exemptions from full retrospective application of IFRS for the measurement of oil and gas assets and leases.

NOTE 2 - BASIS OF PRESENTATION OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.3 New and Revised International Financial Reporting Standards (continued)

2.3.1 Standards and Interpretations that have been adopted with no effect on the March 2010 financial statements: (continued)

IFRS 1 (amendments) First-time Adoption of IFRS – Additional Exemptions (continued)

Entities that use full cost accounting for exploration and evaluation assets as well as assets in the development or production phases can measure these assets at the amounts that were determined under the previously applied accounting principles. This exemption however requires the entity to test for impairment at the date of IFRS transition. Likewise, when the deemed cost exemption is taken, the related decommissioning and restoration liabilities are measured at the date of IFRS transition in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets. Adjustments of the carrying amounts are to be recognized in retained earnings. The amendments further clarifies that upon transition to IFRS, an entity does not need to reassess the determination of an arrangement containing a lease.

IFRS 2 (Amendments) *Share-based Payments – Group Cash-settled Share Payment Arrangements* Amendments to IFRS 2 *Share-based Payment* clarify the accounting for group cash-settled share-based payment transactions. Specifically, it addresses how an individual subsidiary in a group should account for some share-based payment arrangements in its own financial statements. In these arrangements, the subsidiary receives goods or services from employees or suppliers but its parent or another entity in the group must pay those suppliers. The amendments make clear that:

- An entity that receives goods or services in a share-based payment arrangement must account for those goods or services no matter which entity in the group settles the transaction, and no matter whether the transaction is settled in shares or cash.

- In IFRS 2 a 'group' has the same meaning as in IAS 27 Consolidated and Separate Financial Statements, that is, it includes only a parent and its subsidiaries.

The amendments to IFRS 2 also clarifies that the contribution of a business on formation of a joint venture and combinations under common control are not within the scope of IFRS 2. The amendments are retrospectively effective starting from the current financial year

NOTE 2 - BASIS OF PRESENTATION OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.3 New and Revised International Financial Reporting Standards (continued)

2.3.1 Standards and Interpretations that have been adopted with no effect on the March 2010 financial statements: (continued)

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

IFRS 3(2008) is effective for business combinations where the acquisition date is on or after the beginning of the first annual period beginning on or after 1 July 2009. The main impact of the adoption is as follows:

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

IFRS 5 (Amendments related to Annual Improvements 2008 and 2009) ***Non-current Assets Held for Sale and Discontinued Operations***
Amendments to IFRS 5 clarify disclosure requirements when an entity plans to sell the controlling interest in a subsidiary. When a subsidiary is held for sale, all of its assets and liabilities should be classified as held for sale under IFRS 5, even when the entity retains a non-controlling interest in the subsidiary after the sale. The amendments also clarify that disclosure requirements in other Standards other than IFRS 5 do not generally apply to non-current assets classified as held for sale and discontinued operations.

IFRS 8 (Amendments Related to Annual Improvements 2009) ***Operating Segments***
Amendments to IFRS 8 clarifies that the disclosure of segment assets and liabilities are only required to be reported if and only if those segment assets and liabilities are included in measures used by the chief operating decision maker of the Company.
IAS 1 (Amendments Related to Annual Improvements 2009) ***Presentation of Financial Statements***
Amendments to IAS 1 specifies that the classification of convertible instruments is not affected by the terms of the liability even if it could at anytime result in its settlement by the issuance of equity instruments at the option of the counterparty.

IAS 7 (Amendments Related to Annual Improvements 2009) ***Statement of Cash Flows***
Amendments to IAS 7 clarifies that only expenditures that results in a recognized asset in the statement of financial position/balance sheet can be classified as cash flow from investing activities. All expenditure on unrecognized assets should be classified into other categories. This amendment ensures there is no mismatch between cash flow from investing activities and recognized assets in the statement of financial position/balance sheet.

NOTE 2 - BASIS OF PRESENTATION OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.3 New and Revised International Financial Reporting Standards (continued)

2.3.1 Standards and Interpretations that have been adopted with no effect on the March 2010 financial statements: (continued)

IAS 17 (Amendments Related to Annual Improvements 2009) *Leases*
Amendments to IAS 17 clarify three areas related with land leases. Prior to the amendments, lease of land with an indefinite useful life is classified as operating lease unless title passed at the end of the lease term. The standard has been amended where this classification is no longer relevant and a general assessment of the characteristics and substance of lease on land should be made. Land leases can be classified as finance leases under this amendment. In addition, where the lease arrangement contain both land and building, the classification of the lease as operating or finance lease should be done separately in accordance with the general principles of the Standard. Entities should reassess the substance of unexpired leases especially in the classification of the land elements of the lease arrangements. When an entity newly classifies a lease as a finance lease, the recognition and measurement of the lease should be done retrospectively. If the necessary information to apply the new classification retrospectively is not available, the fair values of the related assets and liabilities should be used with the difference to be recognized in retained earnings.

IAS 27 (as revised in 2008) *Consolidated and Separate Financial Statements*
IAS 27 (revised) is effective for annual periods beginning on or after 1 July 2009. The revisions to the Standard are consequential amendments arising from amendments to IFRS 3 Business Combinations. The revisions to IAS 27 principally affect the accounting for transactions or events that result in a change in the Group's interests in its subsidiaries. The revised standard requires that ownership decreases or increases that do not result in change in control to be recorded in equity with no impact on goodwill nor will it give rise to a gain or loss. In addition, losses incurred by a subsidiary will be allocated between the controlling and non-controlling interests even if the losses exceed the non-controlling equity investment in the subsidiary. In instances whereloss of control in a subsidiary takes place, any retained interest is remeasured to fair value.

The Group applies IAS 27 (revised) prospectively to transactions with non-controlling interests starting from 1 January 2010.

IAS 36(Amendments Related to Annual Improvements 2009) *Impairment of Assets*
The amendments to IAS 36 clarify that when assessing goodwill impairment, the lowest level of cash generating unit that an entity can allocate goodwill to should not be larger than an operating segment under the guidelines of IFRS 8 Operating Segments. The application of these amendments may result in recognition of impairment charges.

NOTE 2 - BASIS OF PRESENTATION OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.3 New and Revised International Financial Reporting Standards (continued)

2.3.1 Standards and Interpretations that have been adopted with no effect on the March 2010 financial statements: (continued)

IAS 38 (Amendments Related to Annual Improvements 2009) *Intangible Assets*
The amendments to IAS 38 deal specifically with the identification and measurement of intangible assets that are acquired in a business combination. It specifies that if an intangible asset acquired in a business combination is only identifiable with another intangible asset, the group of intangibles can be recognized as a single asset provided the individual assets share similar useful lives. In addition, it clarifies that different valuation techniques can be used to value intangible assets where no active market exists. The impact of these amendments include more intangible assets can be recognized in business combinations and more intangible assets may be recorded and measured using valuation techniques.

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

IFRIC 9 (Amendments Related to Annual Improvements 2009) *Reassessment of Embedded Derivatives*
Amendments to IFRIC 9 follow the revision to IFRS 3 Business Combinations; specifically it clarifies that this interpretation does not apply to embedded derivatives in contracts that were acquired in a business combination that is in scope of the revised IFRS 3 (2008). It also clarifies that it is not applicable to embedded derivatives in contracts in business combinations between entities or businesses under common control and also not applicable in contracts acquired as part of the formation of a joint venture. This amendment clarifies when reassessment of embedded derivatives is required during business combinations and restructurings. These amendments are effective for periods beginning on or after 1 January 2010 or concurrent with the adoption of IFRS 3 (2008).

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

Amendments to IFRIC 16 clarify that qualifying hedge instruments may be held by any entity within a group company provided the designation, documentation and effectiveness assessment of IAS 39 have been met.

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

IFRIC 17 is effective for annual periods beginning on or after 1 July 2009. The interpretation provides guidance on the appropriate accounting treatment when an entity distributes assets other than cash as dividends to its shareholders.

NOTE 2 - BASIS OF PRESENTATION OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

2.3 New and Revised International Financial Reporting Standards (continued)

2.3.2. Standards and Interpretations that are not yet effective in March 2010 and have not been early adopted

IFRS 1 (amendments) ***First-time Adoption of IFRS – Additional Exemptions***
Amendments to IFRS 1 which are effective for annual periods on or after 1 July 2010 provide limited exemption for first time adopters to present comparative IFRS 7 fair value disclosures.

IFRS 9 ***Financial Instruments: Classification and Measurement***
In November 2009, the first part of IFRS 9 relating to the classification and measurement of financial assets was issued. IFRS 9 will ultimately replace IAS 39 Financial Instruments: Recognition and Measurement. The standard requires an entity to classify its financial assets on the basis of the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset, and subsequently measure the financial assets as either at amortized cost or at fair value. The new standard is mandatory for annual periods beginning on or after 1 January 2013. The Group has not had an opportunity to consider the potential impact of the adoption of this standard.

IAS 24(Revised 2009) ***Related Party Disclosures***
In November 2009, IAS 24 Related Party Disclosures was revised. The revision to the standard provides government-related entities with a partial exemption from the disclosure requirements of IAS 24. The revised standard is mandatory for annual periods beginning on or after 1 January 2011. The Group has not yet had an opportunity to consider the potential impact of the adoption of this revised standard.

IAS 32(Amendments) ***Financial Instruments: Presentation*** **and IAS 1** ***Presentation of Financial Statements***
The amendments to IAS 32 and IAS 1 are effective for annual periods beginning on or after 1 February 2010. The amendments address the accounting for rights issues (rights, options or warrants) that are denominated in a currency other than the functional currency of the issuer. Previously, such rights issues were accounted for as derivative liabilities. However, the amendment requires that, provided certain conditions are met, such rights issues are classified as equity regardless of the currency in which the exercise price is denominated.

IFRIC 14 (Amendments) ***Pre-payment of a Minimum Funding Requirement***
Amendments to IFRIC 14 are effective for annual periods beginning on or after 1 January 2011. The amendments affect entities that are required to make minimum funding contributions to a defined benefit pension plan and choose to pre-pay those contributions. The amendment requires an asset to be recognized for any surplus arising from voluntary pre-payments made.

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

The Group has not yet had an opportunity to consider the potential impact of the adoption of these standards and amended interpretations.

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 3 - SEGMENT REPORTING

Management determines the operating segments based on the reports analyzed by the board of directors, and found effective in strategical decision taking.

Management is assessing the Group's performance on a geographic basis covering Turkey, Azerbaijan, Bulgaria and Kazakhstan. Reportable operating segment revenue comprises primarily retail sales, rent income and wholesales. Rent income and wholesale revenues are not recognized as reportable segments as they are not stated in the reports provided to the board of directors. The board of directors assesses the performance of the operating segments based on a measure of Earning Before Interest, Tax, Depreciation and Amortisation, "EBITDA".

The segment information provided to the board of directors as of 31 March 2010 is as follows:

a) Segment analysis for the period 1 January – 31 March 2010

	Turkey	Azerbaijan	Bulgaria	Kazakhstan	Combined Total	Intersegment elimination	Total
External revenues	1.373.397	4.058	9.373	47.258	1.434.086	-	1.434.086
Inter segment revenues	3.119	-	-	-	3.119	(3.119)	-
Sales revenue	1.376.516	4.058	9.373	47.258	1.437.205	(3.119)	1.434.086
Cost of goods sold	(1.034.457)	(2.945)	(5.847)	(36.649)	(1.079.898)	3.119	(1.076.779)
Gross profit	342.059	1.113	3.526	10.609	357.307	-	357.307
Selling and marketing expenses	(242.968)	(497)	(1.200)	(2.196)	(246.861)	-	(246.861)
General administrative expenses	(49.111)	(886)	(1.181)	(8.538)	(59.716)	-	(59.716)
Addition: Depreciation and amortization	28.061	435	731	2.239	31.466	-	31.466
Addition: Employment termination benefits	(3.541)	-	-	-	(3.541)	-	(3.541)
Addition: Unused vacation provision	2.250	-	-	-	2.250	-	2.250
EBITDA	**76.750**	**165**	**1.876**	**2.114**	**80.905**	**-**	**80.905**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 3 - SEGMENT REPORTING (Continued)

b) Segment analysis for the period 1 January - 31 March 2009

	Turkey	Azerbaijan	Bulgaria	Kazakhstan	Combined Total	Intersegment elimination	Total
External revenues	1.217.000	5.483	8.356	47.830	1.278.669	-	1.278.669
Inter segment revenues	1.586	-	-	-	1.586	(1.586)	-
Sales revenue	1.218.586	5.483	8.356	47.830	1.280.255	(1.586)	1.278.669
Cost of goods sold	(901.561)	(3.967)	(5.059)	(35.409)	(945.996)	1.586	(944.410)
Gross profit	317.025	1.516	3.297	12.421	334.259	-	334.259
Selling and marketing expenses	(208.017)	(531)	(1.036)	(5.251)	(214.835)	-	(214.835)
General administrative expenses	(49.986)	(982)	(1.035)	(4.871)	(56.874)	-	(56.874)
Addition: Depreciation and amortization	28.091	376	730	2.485	31.682	-	31.682
Addition: Employment termination benefits	1.168	-	-	-	1.168	-	1.168
Addition: Unused vacation provision	1.810	-	-	-	1.810	-	1.810
EBITDA	**90.091**	**379**	**1.956**	**4.784**	**97.210**	**-**	**97.210**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 3 - SEGMENT REPORTING (Continued)

A reconciliation of EBITDA figure to profit before tax is provided as follows:

	1 January - 31 March 2010	1 January - 31 March 2009
EBITDA, reported segments	80.905	97.210
Depreciation and amortisation	(31.466)	(31.682)
Employment termination benefits	3.541	(1.168)
Provision of unused vacation	(2.250)	(1.810)
Other operating income	2.679	2.304
Other operating expenses (-)	(2.698)	(2.585)
Operating profit	**50.711**	**62.269**
Financial income	99.127	53.202
Financial expense (-)	(76.427)	(37.595)
Income before tax	**73.411**	**77.876**

c) Segment Assets

The figures provided to the board of directors with respect to total assets are measured in a manner consistent with that of the consolidated financial statements. These assets are allocated based on the operations of the segment and the physical location of the asset.

	31 March 2010	31 December 2009
Turkey	4.528.941	4.546.242
Kazakhstan	190.448	176.410
Bulgaria	97.631	100.606
Azerbaijan	27.670	27.997
Total combined (*)	**4.844.690**	**4.851.255**
Unallocated assets (*)	865.380	921.360
Less: Inter-segment elimination	(123.439)	(123.439)
Total assets as per condensed consolidated interim financial statements	**5.586.631**	**5.649.176**

(*) Total combined assets are generally formed of assets that are related with operations and do not include deferred income tax assets, time deposits and available-for-sale financial assets generating interest income.

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 4 - DERIVATIVE FINANCIAL INSTRUMENTS

Short-term derivative financial instruments

Liabilities	**31 March 2010**	**31 December 2009**
Forward foreign exchange contracts	21.316	13.463

Long-term derivative financial instruments

Assets	**31 March 2010**	**31 December 2009**
Corridor option	2.059	5.519
CAP option	695	2.096
	2.754	7.615
Liabilities		
Forward foreign exchange contracts	55.743	40.855
Interest rate collar contracts	25.574	24.136
	81.317	64.991

The Group entered into a number of forward currency exchange contracts with banks in order to hedge its exchange rate risk. As at the settlement date, the Group sells TL and purchases Euro at agreed strike prices. The fair values of the foreign exchange contracts as of 31 March 2010 which extend until year 2013 are as follows:

	EURO Amount to be purchased	**TL Amount to be Sold**	**Fair Value (TL)**
	153.570	**437.679**	**77.058**

The Group entered into the following interest rate collar, cap and corridor contracts with banks in order to hedge its interest rate risk. The contracts details and their fair values at 31 March 2010 are as follows:

Agreement Type	**Transaction Date**	**Effective Date**	**Expiration Date**	**Derivative Instrument Amount (EUR)**	**Fair Value TL**
Collar	9 July 2008	28 August 2008	31 May 2011	190 million	16.281
Collar	6 November 2008	27 February 2009	31 May 2011	210 million	9.293
					25.574
Corridor	26 August 2009	31 May 2011	30 November 2012	300 million	2.059
Cap	26 August 2009	30 November 2009	31 May 2011	200 million	3
Cap	26 August 2009	31 May 2011	30 November 2012	125 million	692
					2.754

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 4 - DERIVATIVE FINANCIAL INSTRUMENTS (Continued)

The fair values of the foreign exchange contracts as of 31 December 2009 which extend until year 2013 are as follows:

	EURO Amount to be purchased	TL Amount to be Sold	Fair Value (TL)
	153.570	**437.679**	**54.318**

The Group entered into the following interest rate collar, cap and corridor contracts with banks in order to hedge its interest rate risk. The contracts details and their fair values at 31 December 2009 are as follows:

Agreement Type	Transaction Date	Effective Date	Expiration Date	Derivative Instrument Amount (EUR)	Fair Value TL
Collar	9 July 2008	28 August 2008	31 May 2011	190 million	15.696
Collar	6 November 2008	27 February 2009	31 May 2011	210 million	8.440
					24.136
Corridor	26 August 2009	31 May 2011	30 November 2012	300 million	5.519
Cap	26 August 2009	30 November 2009	31 May 2011	200 million	151
Cap	26 August 2009	31 May 2011	30 November 2012	125 million	1.945
					7.615

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 5 - INVESTMENT PROPERTY

	Opening 1 January 2010	Additions	Transfers (Note 6)	Cumulative translation differences	Closing 31 March 2010
Cost					
Land and buildings	66.534	-	753	(648)	66.639
Accumulated depreciation					
Land and buildings	(9.593)	(1.158)	-	(252)	(11.003)
Net book value	**56.941**				**55.636**

	Opening 1 January 2009	Additions	Transfers (Note 6)	Cumulative translation differences	Closing 31 March 2009
Cost					
Land and buildings	73.462	-	-	(1.062)	72.400
Accumulated depreciation					
Land and buildings	(5.378)	(1.555)	-	4	(6.929)
Net book value	**68.084**				**65.471**

Depreciation expenses of the period are recorded in general administrative expenses.

Investment properties of the Group consist of space rented to other retailers in Samal shopping mall and Tastak store in Kazakhstan and in Skopje in Macedonia. At 31 March 2010, total investment property of the Group in Kazakhstan and Macedonia are 7,349 square meters and 9,041 square meters, respectively (31 December 2009: 7,349 square meters in Kazakhstan, 9,131 square meters in Macedonia).

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 6 - PROPERTY, PLANT AND EQUIPMENT

	Opening 1 January 2010	Additions	Disposals	Transfers	Transfers to investments properties (Note 5)	Cumulative translation differences	Closing 31 March 2010
Cost							
Land and buildings	466.224	16	-	17	(753)	(301)	465.203
Leasehold improvements	383.862	6.625	-	546	-	177	391.210
Machinery and equipments	251.638	11.050	(1.438)	901	-	352	262.503
Vehichles	529	158	(32)	-	-	(13)	642
Furniture and fixture	125.542	2.635	(61)	236	-	(220)	128.132
Construction in progress	2.981	10.452	-	(1.700)	-	1	11.734
	1.230.776	**30.936**	**(1.531)**	**-**	**(753)**	**(4)**	**1.259.424**
Accumulated depreciation							
Land and buildings	(16.262)	(2.477)	-	-	-	(20)	(18.759)
Leasehold improvements	(75.847)	(12.227)	799	-	-	53	(87.222)
Machinery and equipments	(40.609)	(8.974)	-	-	-	(750)	(50.333)
Vehichles	(199)	(81)	81	-	-	-	(199)
Furniture and fixture	(18.165)	(3.613)	-	-	-	708	(21.070)
	(151.082)	**(27.372)**	**880**	**-**	**-**	**(9)**	**(177.583)**
Net book value	**1.079.694**						**1.081.841**

At 31 March 2010 and 31 December 2009 there were no mortgages on property, plant and equipment.

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 6 - PROPERTY, PLANT AND EQUIPMENT (Continued)

	Opening 1 January 2009	Additions	Disposals	Impairment loss (*)	Transfers	Cumulative translation differences	Closing 31 March 2009
Cost							
Land and buildings	458.714	153	-	-	566	(1.023)	458.410
Leasehold improvements	326.885	29.373	-	(1.883)	1.852	(817)	355.410
Machinery and equipments	197.235	7.466	-	-	2.669	(1.128)	206.242
Vehichles	470	-	(78)	-	8	(7)	393
Furniture and fixture	99.861	3.267	-	-	2.424	(188)	105.364
Construction in progress	5.178	11.052	(20)	-	(7.519)	40	8.731
	1.088.343	**51.311**	**(98)**	**(1.883)**	**-**	**(3.123)**	**1.134.550**
Accumulated depreciation							
Land and buildings	(5.839)	(2.412)	-	-	-	(204)	(8.455)
Leasehold improvements	(28.414)	(13.158)	-	1.411	-	112	(40.049)
Machinery and equipments	(18.662)	(8.767)	-	-	-	571	(26.858)
Vehichles	(85)	(44)	78	-	-	(3)	(54)
Furniture and fixture	(6.459)	(3.004)	-	-	-	(293)	(9.756)
	(59.459)	**(27.385)**	**78**	**1.411**	**-**	**183**	**(85.172)**
Net book value	**1.028.884**						**1.049.378**

(*) Impairment loss amounting to net TL 472 consists of leasehold improvements of the stores closed during the first three months of year 2009.

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NOTE 6 - PROPERTY, PLANT AND EQUIPMENT (Continued)

Depreciation expenses of the period are recorded in general administrative expenses.

Assets leased under financial lease agreement, which are included in property, plant and equipment comprise machinery and equipment with net book values as stated below:

	31 March 2010	31 December 2009
Net book value	1.285	2.292

NOTE 7 - INTANGIBLE ASSETS

	Opening 1 January 2010	Additions	Cumulative translation differences	Closing 31 March 2010
Cost				
Trademark(*)	253.068	-	-	253.068
Rent agreements (**)	32.982	-	-	32.982
Rights	15.359	551	205	16.115
Other intangible assets (***)	28.783	-	-	28.783
	330.192	551	205	330.948
Accumulated amortisation				
Rent agreements	(10.131)	(1.374)	-	(11.505)
Rights	(5.441)	(864)	14	(6.291)
Other intangible assets	(2.881)	(698)	-	(3.579)
	(18.453)	(2.936)	14	(21.375)
Net book value	**311.739**			**309.573**

	Opening 1 January 2009	Additions	Cumulative translation differences	Closing 31 March 2009
Cost				
Trademark(*)	253.068	-	-	253.068
Rent agreements (**)	32.982	-	-	32.982
Rights	10.559	918	(235)	11.242
Other intangible assets (***)	10.297	-	-	10.297
	306.906	918	(235)	307.589
Accumulated amortisation				
Rent agreements (**)	(3.349)	(1.696)	-	(5.045)
Rights	(1.911)	(828)	195	(2.544)
Other intangible assets (***)	(293)	(219)	-	(512)
	(5.553)	(2.743)	195	(8.101)
Net book value	**301.353**			**299.488**

NOTE 7 - INTANGIBLE ASSETS (Continued)

(*) IFRS 3, "Business Combinations", requires the acquirer at the acquisition date to allocate the cost of a business combination by recognising the acquiree's identifiable assets, liabilities and contingent liabilities at their fair values as at that date.

The fair value of Tansaş and Şok trademarks which were considered as an identifiable intangible asset by the Group was determined by the relief from royalties method and estimated the fair value of the trademarks in the amount of TL202.175 and TL50.893 at the acquisition date 30 May 2008, respectively. This amount has been accounted for as an intangible asset in the consolidated financial statements. Since the trademark does not have a definite useful life and it is foreseen that certain expenses will be incurred each year in order to maintain its value, it is considered as an intangible asset with an indefinite useful life and therefore has not been amortised. Additionally, Migros assesses the intangible assets with indefinite useful lives annually for any indication of impairment.

(**) The Group determined the value of the benefit derived from the lease contracts of MMM and Maxi stores, which were designated as intangible assets, at an amount of TL32.982 and was accounted for under the intangible assets in the consolidated financial statements. Lease contracts are recorded at their fair values at the date of purchase, and amortised during the contract period.

(***) On 24 July 2008, the Group purchased all of the furniture and fixtures of a local retail chain named as Maxi Market at Silivri, Tekirdag and Çengelköy stores, with a total sales area of 13.000 square metres, from Hamoglu Yönetim Organizasyonu Personel Taşımacılık ve Yemek Üretim Hizmetleri İsletmecilik A.Ş. and also took over the rent agreements of the mentioned stores. The excess amount of the consideration given over the fair value of acquired assets in the amount of TL10.297 was accounted for under other intangible assets and will be amortised over the rent agreement period.

On 10 March 2009, the Group purchased all of the furniture and fixtures of 7 stores belonging to Mak Gıda Pazarlama San. ve Tic. A.Ş.,a local retail chain operating in Gaziantep region, with a total sales area of 9.592 square metres and on 12 February 2009 the Group purchased all of the furniture and fixtures of 21 stores belonging to Yonca Marketçilik ve İnş. Hiz. San. ve Tic. A.Ş. ("Yonca"), a local retail chain mainly operating in Adana region, with a total sales area of 17.480 square metres and also took over the rent agreements of the mentioned stores. The excess amount of the consideration given over the fair value of acquired assets in the total amount of TL 18.486, TL 601 for the Mak Gıda and TL17.885 for Yonca, respectively- was accounted for under other intangible assets and will be amortised over the rent agreement period.

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NOTE 8- INVENTORIES

	31 March 2010	31 December 2009	1 January 2009
Raw materials	2.265	2.794	1.712
Work in progress	5.101	3.083	1.382
Merchandise stocks	580.812	575.776	494.060
Other	1.655	1.774	1.421
	589.833	**583.427**	**498.575**

The Group valued the cost value of inventories over the most recent purchase price. Group changed the accounting policy on inventory valuation in the current period. Effects of restated application have been specified in Note 26.

NOTE 9 - GOODWILL

On 30 May 2008, Moonlight acquired 50,83259% of the shares of Migros, which operates in the retail sector, from Koç Holding. Moonlight Capital SA signed a share transfer agreement regarding this acquisition in February 2008 on behalf of Moonlight. Dividends paid to Koç Holding by Migros amounting to TL 53.626 were deducted from the sales price determined on the share transfer agreement and the consideration determined as TL 1.923.740 was paid in cash on the closing date. The transfer of the shares of Migros to Moonlight succeeding Moonlight Capital SA has been completed on 30 May 2008 for TL 1.923.740. As a result of the price adjustment defined in share transfer agreement, price difference amounting to TL 1.300 has been realised on behalf of Moonlight and this amount has been paid in August.

Pursuant to Communiqué Serial IV No. 8 on Principles Regarding Proxy Voting at Shareholders' Meetings of Publicly Held Joint Stock Corporations Exercising Proxy Solicitation and Tender Offers, the Company purchased 30,76% of the shares of Migros in consideration of the sum of TL 1.148.553 from other shareholders of Migros in August 2008, prior to the call for tender realised between 6 October and 20 October 2008; and between those dates, in compliance with the call liability, purchased 16,31% of shares in Migros in consideration of the sum of TL 637.212.

The fair values of plant property and equipment acquired as a result of the acquisition of Migros Türk shares, have been determined through the best estimate of the management and included in the consolidated financial statements.

As of 31 March 2010 the Group has not performed any impairment test due to the fact that any events or changes in circumstances indicate that the carrying amount may not be recoverable, have not been identified as a result of the analysis performed by the Group.

Net assets acquired by Migros and the details of the calculation of goodwill are as follows:

Total acquisition cost	3.708.205
Net assets acquired	(1.468.995)
Goodwill	**2.239.210**

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NOTE 9 - GOODWILL (Continued)

The acquisition cost does not include any other cost except for the amount paid mentioned above. The fair values of assets and liabilities arising from the acquisition are as follows:

	TL
Cash and cash equivalents	385.393
Financial assets	458.425
Inventories	456.711
Plant property and equipment	979.659
Investment property	56.084
Intangible assets	294.103
Trade and other receivables	206.332
Financial liabilities	(145.690)
Provisions	(53.631)
Contingent liabilities	(1.587)
Trade and other payables	(1.026.773)
Deferred income tax liabilities	(125.489)
Acquired net assets	1.483.537
Portion of minority interest of acquired net assets	(14.542)
	1.468.995

On 27 October 2008 the Group acquired 0,02% shares of Migros Türk from minority interest in consideration of TL 417 thus, the shareholding of the Group in Migros Türk reached 97,92%. The difference between the consideration given and the carrying amount of the shares has been allocated to merger reserves in the statement of changes in equity.

NOTE 10 – FINANCIAL LIABILITIES

	31 March 2010			
	Weighted average interest rate	**USD**	**Euro**	**Total TL equivalent**
Current portion of long-term bank borrowings				
-with fixed interest rates	2,00%	-	128	263
-with floating interest rates	4,91%	16.852	32.943	93.250
Current portion of long-term bank borrowings		**16.852**	**33.071**	**93.513**
Long-term bank borrowings		-	-	-
-with fixed interest rates	2,00%	-	744	1.526
-with floating interest rates	4,91%	-	1.158.533	2.377.657
Long-term bank borrowings		**-**	**1.159.277**	**2.379.183**
Total bank borrowings		**16.852**	**1.192.348**	**2.472.696**

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NOTE 10 – FINANCIAL LIABILITIES (Continued)

The redemption schedule of long-term bank borrowings at 31 March 2010 is as follows:

	Euro	TL
1 April 2011 - 31 March 2012	23.529	48.288
1 April 2012 - 31 March 2013	46.933	96.321
1 April 2013 - 31 March 2014	93.743	192.388
1 April 2014 - 31 March 2015	163.957	336.489
1 April 2015 - 31 March 2016	199.188	408.793
1 April 2016 and over	631.927	1.296.904
	1.159.277	**2.379.183**

The fair value of long-term bank borrowings at 31 March 2010 is TL 2.473.052.

	31 December 2009			
	Weighted average interest rate	**USD**	**Euro**	**Total TL equivalent**
Current portion of long-term bank borrowings				
-with fixed interest rates	2,00%	-	124	268
-with floating interest rates	4,90%	23.805	17.771	74.234
Current portion of long-term bank borrowings		**23.805**	**17.895**	**74.502**
Long-term bank borrowings				
-with fixed interest rates	2,00%	-	744	1.608
-with floating interest rates	4,90%	-	1.158.532	2.502.777
Long-term bank borrowings			**1.159.276**	**2.504.385**
Total bank borrowings		**23.805**	**1.177.171**	**2.578.887**

The redemption schedule of long-term bank borrowings at 31 December 2009 is as follows:

	Euro	TL
1 January 2010 - 31 December 2010	-	-
1 January 2011 - 31 December 2011	23.528	50.829
1 January 2012 - 31 December 2012	46.933	101.389
1 January 2013 - 31 December 2013	93.743	202.513
1 January 2014 - 31 December 2014	163.957	354.196
1 January 2015 and over	831.115	1.795.458
	1.159.276	**2.504.385**

The fair value of long-term bank borrowings at 31 December 2009 is TL 2.585.608.

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 11 - PROVISIONS, COMMITMENTS, CONTINGENT ASSETS AND LIABILITIES

Short-term provisions:

	31 March 2010	**31 December 2009**
Provision for litigation	16.917	17.408
Provision for unused vacation	27.859	25.609
	44.776	43.017

There are various lawsuits filed against or in favour of the Group. Receivables, rent or labour disputes constitute the majority of these lawsuits. The Group management estimates the outcomes of these lawsuits and estimates their financial impact according to which the necessary provisions are accounted.

Movement of provision for lawsuits as follows:

	TL
Opening as of 1 January 2009	15.232
Increase during the period	785
Payments during the period	(758)
Closing as of 31 March 2009	15.259
Opening as of 1 January 2010	17.408
Increase during the period	1.164
Payments during the period	(1.655)
Closing as of 31 March 2010	16.917

Movement of provision for unused vacation in period is as follows:

	TL
Opening as of 1 January 2009	20.893
Increase during the period	3.750
Payments during the period	(1.940)
Closing as of 31 March 2009	**22.703**
Opening as of 1 January 2010	25.609
Increase during the period	4.982
Payments during the period	(2.732)
Closing as of 31 March 2010	**27.859**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 11 - PROVISIONS, COMMITMENTS, CONTINGENT ASSETS AND LIABILITIES (Contiuned)

Collaterals, Pledges, Mortgages

	31 March 2010	31 December 2009
A. CPM given on behalf of the Company's legal personality	44.829	37.830
B. CPM given on behalf of fully consolidated subsidiaries	-	-
C. CPM given for continuation of its economic activities on behalf of third parites		
D. Total amount of other CPM	-	-
i) Total amount of CPM given on behalf of the majority shareholder		
ii) Total amount of CPM given to on behalf of other group companies which are not in scope of B and C.	-	-
iii) Total amount of CPM given on behalf of third parties which are not in scope of C	-	-
	-	-
Total Collaterals, Pledges, Mortgages	**44.829**	**37.830**
Proportion of CRMs to equity	**2,9%**	**2,5%**

Commitments, contingent assets and liabilities:

a) Guarantees given as at 31 March 2010 and 31 December 2009 are as follows:

	31 March 2010	31 December 2009
Letters of guarantee given	**44.829**	**37.830**

b) Guarantees received at 31 March 2010 and 31 December 2009 are as follows:

	31 March 2010	31 December 2009
Guarantees obtained from customers	76.458	65.704
Mortgages	1.808	1.502
	78.266	**67.206**

NOTE 11 - PROVISIONS, COMMITMENTS, CONTINGENT ASSETS AND LIABILITIES (Contiuned)

Commitments, contingent assets and liabilities (continued)

c) Tax legislations in Kazakhstan and Kyrgyzstan are subject to different manners of interpretation and subject to alteration frequently. Accordingly, the interpretation of tax implications regarding the operations of Ramstore Kazakhstan by the tax authorities may differ from the interpretation of the management. Consequently, Ramstore Kazakhstan may encounter additional taxes, penalties and interests. Tax authorities in Kazakhstan maintain the right to inspect the accounts for five fiscal years.

d) Yeni Gimat İşyerleri İşletmesi A.Ş. ("Yeni Gimat") has filed an action of debt regarding the claim of rent difference of the immovable rented to Migros Ticaret amounting TL 38.583 which covers the period from 14 June 2001 to the date of trial, 12 June 2009. The Group management has not booked any provision at the 31 March 2010 condensed consolidated interim financial statements due to the fact that related increases have been made with taking into consideration of rates determined regarding rent increases during the years 2000 and 2001 added as of 16 February 2000 and also as of 31 March 2010 it is seen as a far possibility to be obligated to pay the alleged missing rent payments and overdue interest.

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 12 - PROVISION FOR EMPLOYMENT TERMINATION BENEFITS

	31 March 2010	**31 December 2009**
Provision for employee termination benefits	10.433	13.974

Movements in the provision for employment termination benefits are as follows:

	TL
1 January 2009	15.490
Increase during the period	3.218
Payments during the period	(1.155)
Actuarial gain	(895)
31 March 2009	**16.658**
1 January 2010	13.974
Decrease during the period	(1.218)
Payments during the period	(2.154)
Actuarial gain	(169)
31 March 2010	**10.433**

NOTE 13 - REVENUE AND COST OF SALES

	1 January- 31 March 2010	**1 January- 31 March 2009**
Domestic sales	1.399.154	1.242.168
Foreign sales	60.629	60.455
	1.459.783	1.302.623
Other sales	583	1.766
	1.460.366	1.304.389
Less: Discounts and returns	(26.280)	(25.720)
Sales revenue -net	1.434.086	1.278.669
Cost of sales	(1.076.779)	(944.410)
Gross Profit	357.307	334.259

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 13 - REVENUE AND COST OF SALES (Continued)

Details of domestic and foreign sales before other sales, discounts and returns are as follows:

	1 January-31 March 2010	1 January-31 March 2010
Retail sales revenue	1.421.485	1.266.336
Rent income	23.129	23.382
Wholesale revenue	15.170	12.905
	1.459.784	**1.302.623**

NOTE 14 - EXPENSES BY NATURE

	31 March 2010			31 March 2009		
	General administrative expenses	Marketing, selling and distribution expenses	Total	General administrative expenses	Marketing, selling and distribution expenses	Total
Staff costs	18.525	92.905	111.430	18.546	79.579	98.125
Rent	1.747	56.363	58.110	12	48.422	48.434
Transportation, porterage and cleaning	128	30.233	30.361	122	25.179	25.301
Depreciation and amort.	31.466		31.466	31.682	-	31.682
Energy	1.108	23.385	24.493	430	19.804	20.234
Advertising	-	9.813	9.813	-	11.869	11.869
Repair, maint. and security	894	10.670	11.564	425	9.889	10.314
Warehouse	-	5.058	5.058	-	4.114	4.114
Taxes and other fees	1.182	5.117	6.299	515	3.898	4.413
Mechanisation	434	2.674	3.108	872	1.945	2.817
Communication	447	2.353	2.800	625	1.914	2.539
Other	3.785	8.290	12.075	3.645	8.222	11.867
	59.716	**246.861**	**306.577**	**56.874**	**214.835**	**271.709**

Expenses by nature in cost of sales for the periods 1 January - 31 March 2010 and 2009 are as follows:

	1 January-31 March 2010	1 January-31 March 2009
Cost of trade goods	(1.065.378)	(933.283)
Service costs	(11.401)	(11.127)
	(1.076.779)	**(944.410)**

Cost of trade goods include discounts, incentives and volume rebates obtained from suppliers. Service costs are formed of rent, energy, advertising, cleaning, security and administrative expenses incurred in the Group's shopping malls.

(Amounts expressed in thousands of Turkish Lira (“TL”) unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 15 - OTHER OPERATING INCOME / EXPENSE

	1 January- 31 March 2010	1 January- 31 March 2009
Other operating income:		
Gain on sales of scrap goods	296	605
Provision write-off	548	402
Gain on sales of plant, property and equipment	697	25
Other	1.138	1.272
	2.679	**2.304**

	1 January- 31 March 2010	1 January- 31 March 2010
Other operating expenses		
Bad debt expense	(230)	(860)
Losses from closed stores	-	(472)
Litigation provisions	(491)	(27)
Loss on sales of plant, property and equipment	(656)	-
Other	(1.321)	(1.226)
	(2.698)	**(2.585)**

NOTE 16 - FINANCIAL INCOME

	1 January- 31 March 2010	1 January- 31 March 2009
Interest income on bank deposits	6.980	25.703
Foreign exchange gains	86.470	19.660
Due date charges on term sales	4.883	6.739
Other	794	1.100
	99.127	53.202

NOTE 17 - FINANCIAL EXPENSE

	1 January- 31 March 2010	1 January- 31 March 2009
Due date difference on term purchases	(16.140)	(26.122)
Foreign exchange losses	(214)	(10.675)
Interest expense on bank borrowings	(30.763)	(756)
Fair value change of derivatives premium	(29.040)	-
Other	(270)	(42)
	(76.427)	(37.595)

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 18 - TAXES ON INCOME

	31 March 2010	31 December 2009
Taxes and funds payable	22.027	33.451
Less: Prepaid current income taxes	(1.073)	(39.008)
Tax provision, net	20.954	(*) (5.557)

	31 March 2010	31 December 2009
Deferred income tax assets	37.874	31.934
Deferred income tax liabilities	(146.741)	(148.419)
	(108.867)	(116.485)

(*) The portion of prepaid taxes which exceeds the corporate tax payable as of 31 December 2009 has presented under other current assets

Turkish tax legislation does not permit a parent company and its subsidiaries to file a consolidated tax return. Therefore, tax liabilities, as reflected in these consolidated financial statements, have been calculated on a separate-entity basis.

In Turkey, corporation tax rate for the year 31 March 2010 is 20% (2009: 20%).

Implied corporation tax rates in Kazakhstan, Bulgaria, Macedonia, Azerbaijan and Kyrgyzstan are 20%, 10%, 10%, 22% and 10% respectively (31 December 2009: 20%, 10%, 10%, 22% and 10%, respectively).

Corporations are required to pay advance corporation tax quarterly at the rate of 20% on their corporate income in Turkey (31 December 2009: 20%). Advance tax is declared by the 14th and paid by the 17th of the second month following each calendar quarter end. Advance tax paid by corporations is credited against the annual corporation tax liability. Despite the credit from annual corporation tax liability, if the company still has excess advance corporate tax, it can receive this balance in cash from the Government or as a credit for another financial debt to the Government.

The details of taxation on income for the periods ended 31 March 2010 and 2009 are as follows:

	31 March 2010	31 March 2009
Current period tax expense	(22.306)	(15.304)
Deferred income tax income / (expense)	7.702	(80)
	(14.604)	(15.384)

Deferred income taxes

The Group recognises deferred tax assets and liabilities based upon temporary differences arising between their financial statements prepared in accordance with CMB Financial Reporting Standards and its statutory tax financial statements. Temporary differences generally arise due to the recording of incomes and expenses in different reporting periods according to Tax Laws and CMB Accounting Standards. Deferred income taxes will be calculated on temporary differences that are expected to be realized or settled based on the taxable income in the coming years under the liability method using a principal tax rate of 20%, 20%, 10%, 22% and 10% for Turkey, Kazakhstan, Bulgaria, Azerbaijan and Macedonia, respectively (31 December 2009: 20%, 20%, 10%, 22% and 10% respectively).

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 18 - TAXES ON INCOME (Continued)

The composition of cumulative temporary differences and the related deferred income tax assets and liabilities in respect of items for which deferred income tax has been provided as of 31 March 2010 and 31 December 2009 using the currently enacted tax rates, is as follows:

	Cumulative temporary differences		**Deferred income tax assets/(liabilities)**	
	31 March 2010	**31 December 2009**	**31 March 2010**	**31 December 2009**
Fair value change of derivative instruments	102.632	78.454	20.526	15.691
Expense accruals and provisions	44.776	43.017	8.955	8.604
Inventories	16.716	10.500	3.410	2.107
Provision for employment termination benefits	10.433	13.974	2.087	2.795
Unincurred interest income	308	238	62	48
Other	14.168	13.436	2.834	2.689
Deferred income tax assets			**37.874**	**31.934**
Fair value change of derivative instruments	2.754	7.615	551	1.523
Property, plant and equipment and intangible assets	741.206	9.245	139.878	141.035
Unincurred interest expense	8.099	9.245	1.620	1.849
Inventories	6.709	6.709	1.409	1.342
Other	16.415	13.346	3.283	2.671
Deferred income tax liability			146.741	148.420
Total Deferred income tax liability, net			**(108.867)**	**(116.486)**

	2009	**2010**
Deferred income tax assets:		
Deferred income tax asset to be recovered after more than 12 months	18.350	15.793
Deferred income tax asset to be recovered within 12 months	19.523	16.141
	37.873	31.934
Deferred income tax liabilities:		
Deferred income tax liability to be settled after more than 12 months	(140.428)	(142.557)
Deferred income tax liability to be settled within 12 months	(6.312)	(5.862)
	(146.740)	(148.419)
Deferred tax liabilities (net)	**(108.867)**	**(116.485)**

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 18 - TAXES ON INCOME (Continued)

Movement of deferred income tax assets and liabilities are as follows:

	Deferred income tax liability
1 January 2009	(123.693)
Current period deferred tax expense	(80)
Cumulative translation difference	(247)
31 March 2009	(124.020)
1 January 2010	(116.485)
Current period deferred tax income	7.702
Cumulative translation difference	(84)
31 March 2010	(108.867)

NOTE 19 - EQUITY

Share Capital

As of 31 March 2010 the Company's authorised capital consists of 17.803.000.000 shares at 1 shares of KR 1 nominal value. All shares are paid-in and no privileges are given to different share groups and shareholders. Movement of shares is as follows:

The shareholders of the Company and their shareholdings stated at historical amounts at 31 March 2010 and 31 December 2009 are stated below:

	31 March 2010		31 December 2009	
Shareholders	**Share %**	**Amount**	**Share %**	**Amount**
MH Perakendecilik ve Ticaret A.Ş.	97,92	174.323	97,92	174.323
Other	2,08	3.707	2,08	3.707
	100	178.030	100	178.030

Transactions affecting Equity By Level of Significance

For the interim period ended 31 March 2010, there is not any significant transaction occurred in the Equity items of the Group which requires an disclosure.

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 20 - TRANSACTIONS AND BALANCES WITH RELATED PARTIES

(i) Balances with related parties

	31 March 2010	31 December 2009
Due from related parties:		
Mavi Jeans Giyim Sanayi ve Tic. A.Ş	11	6
Tekin Acar Büyük Mağazacılık T.A.Ş.	14	17
Sanal Merkez T.A.Ş.	-	88
Total Receivables from related parties	24	111
Due to related parties:		
Şok Marketler T.A.Ş.	142	722
Sanal Merkez T.A.Ş.	105	-
Diğer	1.112	1.118
Total payables to related parties	1.360	1.840

ii) Transactions with related parties

	1 January - 31 March 2010	1 January - 31 March 2009
Non-current asset purchases		
Sanal Merkez T.A.Ş	58	-
	58	**-**
Inventory purchases:		
Şok Marketler Tic. A.Ş.	681	341
	-	**341**
Services rendered:		
Sanal Merkez T.A.Ş.	29	38
	29	**38**

Other transactions with related parties are as follows:

	1 January - 31 March 2010	1 January - 31 March 2009
Rent income	327	293
	327	293

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 20 - TRANSACTIONS AND BALANCES WITH RELATED PARTIES (Continued)

Key management compensation:

The Group has determined key management personnel as chairman, members of Board of Directors, general manager and vice general managers.

Total compensation provided to key management personnel by Group for the period ended 31 March 2010 and 2009 is as follows:

Key management compensation:	**1 January - 31 March 2010**	**1 January - 31 March 2009**
Short-term benefits to employees	4.597	3.566
	4.597	**3.566**

At 31 March 2010 and 2009, compensation paid or payable consists of salaries, benefits, SSI and employer shares and Board of Directors attendance fees.

NOTE 21 – EARNINGS / (LOSS) PER SHARE

	31 March 2010	**31 March 2009**
Net income / (loss) attributable to the shareholders	58.805	61.153
Weighted average number of shares with Kr 1 face value each ('000)	17.803.000	17.432.334
Earnings / (loss) per share (Kr)	**0,33**	**0,35**

There is no difference between basic and diluted earnings per share for any of the periods.

NOTE 22 - EXCHANGE RATE RISK AND FOREIGN CURRENCY POSITION

The Group is exposed to foreign exchange risk primarily arising from the borrowings denominated in foreign currencies. Aforementioned foreign exchange risk is followed and limited through the evaluation of foreign currency position and hedges.

At 31 March 2010, if USD had appreciated against TL by 5 % and all other variables had remained constant, the profit for the period before tax as a result of foreign exchange rate difference arising out of assets and liabilities denominated in USD would have been higher in the amount of TL 971.

At 31 Mart 2010, if Euro had appreciated against TL by 5 % and all other variables had remained constant, the profit for the period before tax as a result of foreign exchange rate difference arising out of assets and liabilities denominated in Euro would have been less in the amount of TL 84,021.

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 22 - EXCHANGE RATE RISK AND FOREIGN CURRENCY POSITION

	31 March 2010			
		Original Currencies		
	Total TL equivalent	**USD**	**Euro**	**Other Currency**
Assets:				
Cash and cash equivalents	830.142	29.384	373.678	18.535
Trade receivables	2.656	517	11	1.847
Other current assets	3.402	2.052	-	280
Total current assets	**836.200**	**31.953**	**373.689**	**20.662**
Other non-current assets	170	112	-	-
Total non-current assets	**170**	**112**	**-**	**-**
Total assets	**836.370**	**32.064**	**373.689**	**20.662**
Short-term borrowings	93.512	16.852	33.071	-
Trade payables (net)	3.251	55	137	2.886
Other current liabilities	5.238	2.395	1	1.591
Total current liabilities	**102.001**	**19.302**	**33.210**	**4.477**
Long term financial liabilities	2.379.183	-	1.159.276	-
Total non-current liabilities	**2.379.183**	**-**	**1.159.276**	**-**
Total liabilities	**2.481.184**	**19.302**	**1.192.486**	**4.477**
Net balance sheet foreign currency position	**(1.644.814)**	**12.762**	**(818.797)**	**16.185**
Net asset/liability position of off-balance sheet derivatives (A-B)	-	-	-	-
A. Total foreign currency amount of off-balance sheet derivative financial assets	-	-	-	-
B. Total foreign currency amount of off-balance sheet derivative financial liabilities	-	-	-	-
Net foreign currency position	**(1.644.814)**	**12.762**	**(818.797)**	**16.185**
Export	-	-	-	-
Import	3.461	2.286	-	-
Fair value of hedged funds of foreign currency	77.058	-	-	-
Hedged amount of foreign currency assets	-	-	-	-
Hedged amount of foreign currency liabilities	315.172	-	153.570	-

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 22 - EXCHANGE RATE RISK AND FOREIGN CURRENCY POSITION (Continued)

	31 December 2009			
		Original Currencies		
	Total TL equivalent	USD	Euro	Other Currency
Assets:				
Cash and cash equivalents	878.134	36.575	376.378	9.973
Trade receivables	3.073	553	12	2.215
Other current assets	3.589	2.117	2	396
Total current assets	**884.796**	**39.245**	**376.392**	**12.584**
Other non-current assets	175	116	-	-
Total non-current assets	**175**	**116**	**-**	**-**
Total assets	**884.971**	**39.361**	**376.392**	**12.584**
Short-term borrowings	74.502	23.805	17.895	-
Trade payables (net)	7.292	1.358	197	4.823
Other current liabilities	5.986	3.074	2	1.354
Total current liabilities	**87.780**	**28.237**	**18.094**	**6.177**
Long term financial liabilities	2.504.385	-	1.159.276	-
Total non-current liabilities	**2.504.385**	**-**	**1.159.276**	**-**
Total liabilities	**2.592.165**	**28.237**	**1.177.370**	**6.177**
Net balance sheet foreign currency position	**(1.707.194)**	**11.125**	**(800.978)**	**6.407**
Net asset/liability position of off-balance sheet derivatives (A-B)	-	-	-	-
A. Total foreign currency amount of off-balance sheet derivative financial assets	-	-	-	-
B. Total foreign currency amount of off-balance sheet derivative financial liabilities	-	-	-	-
Net foreign currency position	**(1.707.194)**	**11.125**	**(800.978)**	**6.407**
Export	-	-	-	-
Import	39.693	25.611	-	-
Fair value of hedged funds of foreign currency	54.318	-	-	-
Hedged amount of foreign currency assets	-	-	-	-
Hedged amount of foreign currency liabilities	331.757	-	153.570	-

(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 22 - EXCHANGE RATE RISK AND FOREIGN CURRENCY POSITION (Continued)

Foreign currency sensitivity analyses as of 30 March are as follows:

31 March 2010

	Gain/Loss	
	Foreign exchange appreciation	**Foreign exchange depreciation**
5% change in USD Exchange rate		
USD net asset/liability	971	(971)
Portion secured from USD risk	-	-
USD net effect	971	(971)

31 December 2009

	Gain/Loss	
	Foreign exchange appreciation	**Foreign exchange depreciation**
5% change in USD Exchange rate		
USD net asset/liability	838	(838)
Portion secured from USD risk	-	-
USD net effect	838	(838)

31 March 2010

	Gain/Loss	
	Foreign exchange appreciation	**Foreign exchange depreciation**
5% change in Euro Exchange rate		
Euro net asset/liability	(84.021)	84.021
Portion secured from Euro risk	-	-
Euro net effect	(84.021)	84.021

31 December 2009

	Gain/Loss	
	Foreign exchange appreciation	**Foreign exchange depreciation**
5% change in Euro Exchange rate		
Euro net asset/liability	(86.518)	86.518
Portion secured from Euro risk	-	-
Euro net effect	(86.518)	86.518

NOTE 23 - FINANCIAL INSTRUMENTS

Fair value estimation

Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced sale or liquidation, and is best evidenced by a quoted market price, if one exists.

Effective 1 January 2009, the group adopted the amendment to IFRS 7 for financial instruments that are measured in the balance sheet at fair value, this requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

In the balance sheet, derivative financial instrument is the only item that is recognised at fair value. The fair value of derivative financial instrument is determined by using valuation technique, which can be regarded as Level 2. Apart from that, for disclosure purposes, the borrowings carried at the amortised cost at the balance sheet are presented with their values in Note 6. The fair value of borrowings for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate (Libor) that is available to the Group for similar financial instruments that can be classified as level 2. The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values due to the short-term nature of trade receivables and payables.

NOTE 24 - MERGER OF ENTERPRISES SUBJECT TO COMMON CONTROL

In accordance with the decision adopted during Migros Türk's general assembly held on 28 April 2009, Migros Türk has decided to merge with Moonlight through a takeover of its assets and liabilities as a whole within the framework of Capital Markets Board ("CMB") requirements, Turkish Commercial Code, Law No. 451, and other related articles and Corporate Tax Law No. 19-20. As a result of the mentioned merger, it has been decided to increase Moonlight's capital from TL 174.323.000 to TL178.030.000 (Amounts expressed in Turkish Lira ("TL")) and also in accordance with the merger agreement approved during the General Assembly, merger ratio of 0,97918 and share exchange ratio of 1,00 has been identified. As a result of the merger, registered shares amounting to TL 3.706.660 (Amounts expressed in Turkish Lira ("TL")) issued by Moonlight have been distributed to the shareholders of Migros Türk other than Moonlight in exchange for their Migros Türk shares.

On 30 April 2009 Istanbul Trade Registry Office has announced the registry of Migros Türk's general assembly held on 28 April 2009 and merger agreement on 06 May 2009 dated and 7305 numbered Trade Registry Gazette. As a result of the merger, Moonlight's trade name has been changed as Migros Ticaret A.Ş.

The difference occurred as a result of merger amounting TL 27.312, has been presented as "Additional contribution to shareholders' equity related to merger" under consolidated equity, as there are no related lines present at the financial statement presentation format which is held mandatory by CMB.

NOTE 25 - SUBSEQUENT EVENTS

1) As of the Migros Board meeting at 03 March 2010;

The distribution of TL 195.833.000 of total dividends (consisting of TL 31.500.000 of profit for the period and TL 164.333.000 of extraordinary reserves, excluding inflation adjustment differences) to shareholders; and preparation of the necessary legal procedures and steps to be taken for the dividend distribution following the general Shareholders' Meeting are agreed to be presented for approval in the upcoming Extraordinary General Meeting which will be held on 20 May 2010:

2) Group management decided that 24 stores, which operate as franchise (dealer) in various provinces, to join the company on 17 February 2010:

Amounts are expressed in Turkish Lira ("TL").

a) 899.996 shares with a nominal value of TL899.996 corresponding to 99,9996% of 900.000 shares at a nominal value of TL1, totalling TL900.000, belonging to Amaç Gıda Ticaret ve Sanayi A.Ş, operating in Eskişehir, Sakarya, Bilecik and Yalova provinces with 7 franchise stores under Migros and Şok format, are purchased for TL3.399.985, subject to the price adjustment.

b) 99.996 shares with a nominal value of TL99.996 corresponding to 99,996% of 100.000 shares at a nominal value of TL1 totalling TL100.000, belonging to Ades Gıda Sanayi ve Ticaret A.Ş, operating in Balıkesir, Eskişehir, Sakarya, Düzce, Afyon and Bilecik provinces with 14 franchise stores under Migros and Şok format, are purchased for TL12.199.512, subject to the price adjustment.

c) 175.996 shares with a nominal value of TL175.996 corresponding to 99,998% of 176.000 shares at a nominal value of TL1, totalling TL176.000, belonging to Egeden Gıda Tüketim Malları Ticaret ve Sanayi A.Ş, operating in Denizli province with 3 franchise stores under Migros and Şok format, are purchased for TL4.099.907, subject to the price adjustment.

Share transfer prices will be subjected to price adjustment and the application to the Competition Authority for share transfers are approved at 15 May 2010.

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(Amounts expressed in thousands of Turkish Lira ("TL") unless otherwise indicated. Currencies other than TL are expressed in thousands unless otherwise indicated.)

NOTE 26 - DISCLOSURE OF OTHER MATTERS REQUIRED FOR THE PURPOSE OF UNDERSTANDING AND INTERPRETING THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Restatement for the previous year's financial statements;

The Group reviewed the accounting policy adopted in the previous periods for the measurement of the inventory which was determining the cost by the monthly moving weighted average method previously and adopts to measure the cost value by calculated over the most recent purchase price and revalues its inventories. Restatement of financial statements has been made in accordance with IAS 8 ("Accounting Policies, Changes in Accounting Estimates and Errors") and Group restated the consolidated financial statements as of 1 January 2009.

	1 December 2009		
	As previously reported	Effect of accounting policy change over inventory valuation	Restated
Inventories	576.718	6.709	583.427
Deferred tax liabilities	(115.143)	(1.342)	(116.485)
Net profit for the period	108.024	86	108.110
Retained Earnings	133.067	5.281	138.348

	1 January 2009		
	As previously reported	Effect of accounting policy change over inventory valuation	Restated
Inventories	491.974	6.601	498.575
Deferred tax liabilities	(123.693)	(1.320)	(125.013)
Net profit for the period	133.067	5.281	138.348