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

BOYNER PERAKENDE VE TEKSTİL YATIRIMLARI A.Ş.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 JANUARY 2015 TO 30 JUNE 2015 TOGETHER WITH INDEPENDENT AUDITOR'S REVIEW REPORT

pwc

REPORT ON REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

To the Board of Directors of
Boyner Perakende ve Tekstil Yatırımları A.Ş.

Introduction

1. We have reviewed the accompanying condensed consolidated balance sheet of Boyner Perakende ve Tekstil Yatırımları A.Ş. the "Company") and its subsidiaries ("collectively referred as the "Group") as at 30 June 2015 and the condensed consolidated statement of profit or loss and other comprehensive income, changes in equity and cash flows for the six-month period then ended. The management of the Group is responsible for the preparation and fair presentation of this condensed consolidated interim financial information in accordance with Turkish Accounting Standard 34 ("TAS 34") "Interim Financial Reporting". Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.

Scope of review

2. We conducted our review in accordance with the Standard on Review Engagements ("SRE") 2410, "Review of interim financial information performed by the independent auditor of the entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and the objective of which is to express an opinion on the financial statements. Consequently, a review on the interim financial information does not provide assurance that the audit firm will be aware of all significant matters which would have been identified in an audit. Accordingly, we do not express an audit opinion.

Basis for the qualified conclusion

3. As discussed in Note 6, the Group's associate, Nile Bosphorus Retail and Trading Company ("Nile Bosphorus") which is required to be accounted for using the equity method, is carried at cost at the amount of TRY5.472.508 in the accompanying consolidated interim financial statements since the associate has not prepared its financial statements in accordance with Turkish Accounting Standards issued by the Public Oversight Accounting and Auditing Standards Authority ("POAASA"). As of 30 June 2015 considering the uncertainty in Egypt's economical and political environment we could not ensure ourselves regarding the recoverability of the carrying amount of Nile Bosphorus and receivables from Nile Bosphorus amounting to TRY3.767.246.

Qualified conclusion

4. Based on our review, except for the effect of the matters described in the basis for the qualified conclusion paragraph, nothing has come to our attention that causes us to conclude that the accompanying condensed consolidated interim financial information of Boyner Perakende ve Tekstil Yatırımları A.Ş. is not prepared in accordance with TAS 34.

Başaran Nas Bağımsız Denetim ve
Serbest Muhasebeci Mali Müşavirlik A.Ş.
a member of
PricewaterhouseCoopers

Cihan Harman, SMMM
Partner

İstanbul, 10 August 2015

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

BOYNER PERAKENDE VE TEKSTİL YATIRIMLARI A.Ş.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD 1 JANUARY-30 JUNE 2015

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BOYNER PERAKENDE VE TEKSTİL YATIRIMLARI A.Ş.

CONDENSED INTERIM CONSOLIDATED BALANCE SHEETS
AS AT 30 JUNE 2015 AND 31 DECEMBER 2014
(Amounts expressed in Turkish Lira ("TRY") unless otherwise stated.)

	Notes	Reviewed 30 June 2015	Audited 31 December 2014
ASSETS			
Current Assets		**1.815.964.036**	**1.802.361.182**
Cash and cash equivalents	5	344.921.364	317.079.148
Trade receivables	9	368.872.347	390.513.668
- *Trade receivables from related parties*	*9 and 25*	*51.247.761*	*55.781.340*
- *Trade receivables from third parties*	*9*	*317.624.586*	*334.732.328*
Other receivables	10	11.085.154	87.716.893
- *Other receivables from related parties*	*10 and 25*	*7.128.036*	*85.685.494*
- *Other receivables from third parties*	*10*	*3.957.118*	*2.031.399*
Inventories	11	936.982.602	905.705.640
Prepaid expenses		38.356.190	19.478.987
Derivative instruments	8	10.341.845	1.683.738
Other current assets		105.404.534	80.183.108
Non-current assets		**2.250.598.001**	**2.260.488.411**
Financial investments	6	104.891	104.891
Trade receivables	9	12.777.442	11.840.010
- *Trade receivables from related parties*	*9 and 25*	*3.767.246*	*3.252.007*
- *Trade receivables from third parties*	*9*	*9.010.196*	*8.588.003*
Other receivables	10	1.657.056	1.622.518
- *Other receivables from third parties*	*10*	*1.657.056*	*1.622.518*
Investments accounted for using the equity method	6	13.116.259	13.662.699
Investment properties	12	144.172.018	138.886.740
Property, plant and equipment	13	272.207.787	273.186.610
Intangible assets		1.749.393.073	1.772.003.962
- *Goodwill*	*3*	*797.708.560*	*796.129.432*
- *Other intangible assets*	*14*	*951.684.513*	*975.874.530*
Prepaid expenses		986.141	4.150.627
Deferred tax assets	23	22.277.747	20.780.265
Derivative instruments	8	17.004.690	3.248.768
Other non-current assets		16.900.897	21.001.321
TOTAL ASSETS		**4.066.562.037**	**4.062.849.593**

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

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

BOYNER PERAKENDE VE TEKSTİL YATIRIMLARI A.Ş.

CONDENSED INTERIM CONSOLIDATED BALANCE SHEETS AS AT 30 JUNE 2015 AND 31 DECEMBER 2014

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

	Notes	Reviewed 30 June 2015	Audited 31 December 2014
LIABILITIES			
Current liabilities		**2.463.359.678**	**3.129.376.005**
Short-term financial liabilities	7	473.305.637	438.870.033
Current portion of long-term financial liabilities	7	643.521.413	576.464.279
Other financial liabilities	9	98.995.992	109.628.739
Trade payables	9	1.007.049.693	1.009.860.681
- *Trade payables to related parties*	*9 and 25*	*12.638.909*	*11.302.260*
- *Trade payables to third parties*	*9*	*994.410.784*	*998.558.421*
Payables related to employee benefits		22.502.669	20.615.929
Other payables	10	101.482.213	836.782.842
- *Other payables to related parties*	*10 and 25*	*65.986.747*	*31.534.946*
- *Other payables to third parties*	*10*	*35.495.466*	*805.247.896*
Deferred revenue		72.627.439	98.735.800
Corporate tax payable	23	4.565.124	2.198.101
Short term provisions		28.526.656	23.544.105
- *Short term provisions for employee benefits*	*15*	*14.218.392*	*12.226.042*
- *Other short term provisions*	*15*	*14.308.264*	*11.318.063*
Other current liabilities		10.782.842	12.675.496
Non-current liabilities		**910.298.153**	**799.643.988**
Long term financial liabilities	7	629.774.727	508.466.993
Trade payables	10	37.233.871	45.466.243
- *Trade payables to third parties*	*10*	*37.233.871*	*45.466.243*
Long term provisions		27.185.599	24.318.778
- *Long term provisions for employee benefits*		*27.185.599*	*24.318.778*
Deferred revenue		14.948.148	15.907.210
Deferred tax liability	23	201.155.808	205.484.764
EQUITY		**692.904.206**	**133.829.600**
Equity attributable to parent		**680.538.617**	**121.030.239**
Paid-in share capital	17	57.700.000	40.000.000
Adjustments to share capital	17	56.061.369	56.061.369
Share premium	17	867.300.000	-
Other comprehensive income/expense not to be reclassified to profit or loss		5.206.548	7.018.909
- *Gain on revaluation and re-measurement*	*17*	*19.818.348*	*20.566.110*
- *Other funds*		*36.560*	*36.560*
- *Actuarial loss arising from employee benefits*		*(14.648.360)*	*(13.583.761)*
Other comprehensive income/expense to be reclassified to profit or loss		(1.295.650)	(1.310.987)
- *Currency translation differences*		*(1.295.650)*	*(1.310.987)*
Impact of business combinations of entities under common control	17	(311.626.838)	(307.876.666)
Restricted reserves	17	33.451.107	33.451.107
Retained earnings		294.434.269	519.642.646
Net loss for the year		(320.692.188)	(225.956.139)
Non-controlling interest		**12.365.589**	**12.799.361**
TOTAL LIABILITIES		**4.066.562.037**	**4.062.849.593**

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

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

BOYNER PERAKENDE VE TEKSTİL YATIRIMLARI A.Ş.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIODS ENDED 30 JUNE 2015 AND 2014

(Amounts expressed in Turkish Lira ("TRY") unless otherwise stated)

	Notes	Reviewed 1 January - 30 June 2015	Unaudited 1 April - 30 June 2015	Reviewed 1 January - 30 June 2014	Unaudited 1 April - 30 June 2014
INCOME OR LOSS					
Revenue	18	1.582.469.945	811.571.561	1.400.614.239	718.785.575
Cost of sales (-)	18	(938.996.492)	(462.966.659)	(850.575.072)	(412.410.056)
GROSS PROFIT		**643.473.453**	**348.604.902**	**550.039.167**	**306.375.519**
Marketing expenses (-)		(497.928.364)	(256.158.452)	(431.363.956)	(225.450.927)
General administrative expenses (-)		(130.910.321)	(65.399.221)	(116.581.496)	(62.892.761)
Research and development expenses (-)		(2.309.805)	(1.024.618)	(2.551.641)	(1.235.782)
Other operating income	19	117.429.067	41.010.878	106.332.672	34.495.877
Other operating expenses(-)	19	(122.316.792)	(46.940.602)	(96.699.731)	(23.990.811)
OPERATING INCOME		**7.437.238**	**20.092.800**	**9.175.015**	**27.301.115**
Income from investing activities	20	1.940.250	1.859.026	5.703	5.411
Expenses related to investing activities (-)	20	(1.739.483)	(313.199)	(271.210)	(8.707)
Share of profit of investments accounted for using the equity method	6	1.656.789	310.759	1.118.919	593.349
OPERATING PROFIT BEFORE FINANCIAL INCOME		**9.294.794**	**21.949.386**	**10.028.427**	**27.891.168**
Financial income	21	22.685.563	11.821.295	26.341.104	14.643.481
Financial expenses (-)	22	(352.804.859)	(143.502.248)	(160.759.867)	(60.966.605)
LOSS BEFORE TAX FROM CONTINUING OPERATIONS		**(320.824.502)**	**(109.731.567)**	**(124.390.336)**	**(18.431.956)**
Corporate tax expense	*23*	*(6.610.056)*	*(4.543.672)*	*(6.929.049)*	*(4.001.570)*
Deferred tax income	*23*	*5.513.519*	*3.254.187*	*9.179.789*	*4.191.449*
LOSS FROM CONTINUING OPERATIONS		**(321.921.039)**	**(111.021.052)**	**(122.139.596)**	**(18.242.077)**
NET LOSS FOR THE PERIOD		**(321.921.039)**	**(111.021.052)**	**(122.139.596)**	**(18.242.077)**
Loss for the period attributable to					
Non-controlling interest		(1.228.851)	(87.916)	(713.230)	50.146
Equity holders of the parent		(320.692.188)	(110.933.136)	(121.426.366)	(18.292.223)
Loss per share					
Loss per share from continued operations	24	(7.79)	(2.77)	(3.04)	(0.46)
Earnings/ (loss) per share from discontinued operations		-	-	-	-
OTHER COMPREHENSIVE LOSS					
Items not to be classified to profit or loss					
Actuarial losses arising from employee benefits		(1.330.749)	881.106	(2.466.448)	(1.060.434)
Deferred tax income		266.150	(176.221)	493.290	212.087
Items to be classified to profit or loss					
Currency translation differences		15.337	(269)	(31.585)	151.263
OTHER COMPREHENSIVE LOSS		**(1.049.262)**	**704.616**	**(2.004.743)**	**(697.084)**
TOTAL COMPREHENSIVE LOSS		**(322.970.301)**	**(110.316.436)**	**(124.144.339)**	**(18.939.161)**
Total comprehensive loss attributable to					
Non-controlling interests		(1.228.851)	(87.916)	(713.230)	50.145
Equity holders of the parent		(321.741.450)	(110.228.520)	(123.431.109)	(18.989.306)

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

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGE IN EQUITY FOR THE INTERIM PERIODS ENDED 30 JUNE 2015 AND 30 JUNE 2014

(Amounts expressed in Turkish Lira ("TRY") unless otherwise stated)

				Other comprehensive income to be reclassifed to profit or loss	Other comprehensive income not to be reclassifed to profit or loss									
					Gain/(loss) on revaluation and re-measurement		Other gain/losses							
	Paid in share capital	Share Premium	Adjustments to share capita	Currency translation differences	Revaluation reserve of property plant and equipment	Actuarial (loss)	Shares of associates in accounted for using the equity method to be classified from other comprehensive income to net income	Impact of business combinations regarding common control transactions	Restricted reserves	Retained earnings	Net loss for the period	Equity attributable to parent	Non-controlling interest	Total equity
Balance at 1 January 2014	**40.000.000**	**-**	**56.061.369**	**(935.086)**	**29.805.030**	**(12.178.789)**	**36.560**	**(307.876.666)**	**33.451.107**	**82.367.106**	**428.036.620**	**348.767.251**	**12.732.542**	**361.499.793**
Transfers	-	-	-	-	-	-	-	-	-	428.036.620	(428.036.620)	-	-	-
Total comprehensive income	-	-	-	(31.585)	-	(1.973.158)	-	-	-	-	(121.426.366)	(123.431.109)	(713.230)	(124.144.339)
Revaluation reserve of property, plant and equipment (Note 17)	-	-	-	-	(8.804.530)	-	-	-	-	8.804.530	-	-	-	-
Balance at 30 June 2014	**40.000.000**	**-**	**56.061.369**	**(966.671)**	**21.000.500**	**(14.151.947)**	**36.560**	**(307.876.666)**	**33.451.107**	**519.208.256**	**(121.426.366)**	**225.336.142**	**12.019.312**	**237.355.454**
Balance at 1 January 2015	**40.000.000**	**-**	**56.061.369**	**(1.310.987)**	**20.566.110**	**(13.583.761)**	**36.560**	**(307.876.666)**	**33.451.107**	**519.642.646**	**(225.956.139)**	**121.030.239**	**12.799.361**	**133.829.600**
Increase in share capital (Note 17)	17.700.000	-	-	-	-	-	-	-	-	-	-	17.700.000	-	17.700.000
Share premiums paid (Note 17)	-	867.300.000	-	-	-	-	-	-	-	-	-	867.300.000	-	867.300.000
Transfers	-	-	-	-	-	-	-	-	-	(225.956.139)	225.956.139	-	-	-
Total comprehensive income (Note 3)	-	-	-	15.337	-	(1.064.599)	-	-	-	-	(320.692.188)	(321.741.450)	(1.228.851)	(322.970.301)
Acquisition of subsisidiary	-	-	-	-	-	-	-	(3.750.172)	-	-	-	(3.750.172)	795.079	(2.955.093)
Revaluation reserve of property, plant and equipment (Note 17)	-	-	-	-	(747.762)	-	-	-	-	747.762	-	-	-	-
Balance at 30 June 2015	**57.700.000**	**867.300.000**	**56.061.369**	**(1.295.650)**	**19.818.348**	**(14.648.360)**	**36.560**	**(311.626.838)**	**33.451.107**	**294.434.269**	**(320.692.188)**	**680.538.617**	**12.365.589**	**692.904.206**

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

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

BOYNER PERAKENDE VE TEKSTİL YATIRIMLARI A.Ş.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOW FOR THE PERIODS ENDED 30 JUNE 2015 AND 2014

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

	Notes	Reviewed 1 January - 30 June 2015	Reviewed 1 January - 30 June 2014
A. CASH FLOWS FROM OPERATING ACTIVITIES		**(115.830.999)**	**(21.325.412)**
Net Loss before for the period		**(321.921.039)**	**(122.139.596)**
Adjustments to reconcile profit / (loss) for the period		**182.703.813**	**161.408.518**
Depreciation and amortization	13 and 14	58.939.718	55.314.702
Provision for doubtful receivables	9	3.213.124	510.319
Provision for employment termination benefits		8.660.984	1.532.039
Provision for impairment of inventories	11	2.467.425	2.717.417
Adjustments related to interest income		(10.559.340)	(4.799.661)
Adjustments related to interest expenses		120.357.177	105.232.567
Provision for short term employee benefits	15	1.992.350	(881.058)
Provision for litigation	15	1.738.177	183.416
Provision for sales returns	15	9.266.629	8.043.476
Other short-term provisions	15	484.055	496.809
Change in the fair value of investment properties	12	(6.103.960)	-
Gain on sale of investment properties	20	(1.532.944)	-
Share of profit of investments accounted for using the equity method	6	(1.656.789)	(1.118.919)
Adjustments related to finance income/expense		2.193.140	(1.281.231)
Adjustments related to tax (income)/ loss	23	1.096.537	(2.250.740)
Fair value adjustment of derivative financial instruments	8	(22.414.029)	
(Gain)/ loss on sale of tangible and intangible asssets	20	1.332.177	265.507
Unrealized foreign exchange (gain)/loss		13.229.382	(2.556.125)
Changes in net working capital		**23.386.227**	**(60.594.334)**
Change in inventories		(32.898.684)	(31.175.747)
Change in trade and other receivables		(7.058.986)	80.376.451
Change in trade and other receivables from related parties		(2.506.510)	-
Change in increase/decrease in prepaid expenses		(14.543.036)	(7.159.323)
Change in other current and non-current assets		(20.733.184)	(18.612.239)
Change in deferred revenue		(27.398.451)	20.280.947
Change in liabilities related to employee benefits		1.779.927	1.667.140
Change in trade and other payables		133.938.421	(52.677.989)
Change in trade and other payables to related parties		918.554	(37.742.295)
Change in other liabilities		(2.559.923	(664.491)
Litigation provisions paid	15	(399.157)	(495.349)
Other provisions paid	15	(5.845)	(33.772)
Corporate tax paid	23	(4.243.033)	(9.783.717)
Collection of doubtful receivables	9	694.092	1.448.654
Employee termination benefits paid		(8.352.028)	(3.516.094)
B. CASH FLOWS FROM INVESTING ACTIVITIES		**(967.178.520)**	**(33.948.884)**
Cash change from acquisition of shares in other entities or funds or debt instruments		(931.300.200)	-
Purchases of property, equipment and intangible assets	13 and 14	(34.721.929)	(34.519.761)
Sale of tangible and intangible assets		565.889	(9.056)
Dividend income from associates accounted for using the equity method	6	1.318.043	595.200
Sale of investment properties	12	2.361.000	-
Purchases of investment properties	12	(9.374)	(15.267)
Cash change from acquisition of subsidiaries' shares		(5.391.949)	-
C. CASH FLOWS FROM FINANCING ACTIVITIES		**1.110.836.398**	**(936.976)**
Interest paid		(119.372.676)	(104.042.197)
Interest and commission received		10.559.340	4.799.661
Proceeds from bank borrowings		221.640.475	112.624.915
Increase in capital	17	17.700.000	-
Paid share premium	17	867.300.000	-
Change in other receivables and payables from related parties		113.009.259	(14.319.355)
NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS BEFORE THE EFFECT OF CURRENCY TRANSLATION DIFFERENCES (A+B+C)		**27.826.879**	**(56.211.272)**
D. EFFECT OF CURRENCY TRANSLATION DIFFERENCES ON CASH AND CASH EQUIVALENTS		**15.337**	**(31.585)**
NET INCREASE / (DECREASE)IN CASH AND CASH EQUIVALENTS (A+B+C+D)		**27.842.216**	**(56.242.857)**
RESTRICTED CASH	**5**	**(4.499.716)**	**(1.366.963)**
E. CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	**5**	**317.079.148**	**289.556.875**
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD ((A+B+C+D+E)	**5**	**344.921.364**	**233.314.018**

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

NOTE 1 - GROUP'S ORGANIZATION AND NATURE OF ACTIVITIES

Boyner Perakende ve Tekstil Yatırımları A.Ş. ("Company" or "Boyner Perakende") was incorporated by Boyner Holding A.Ş. ("Boyner Holding") on 26 January 1952. The title of the Company formerly named as "Altınyıldız Mensucat ve Konfeksiyon Fabrikaları A.Ş." is changed as "Boyner Perakende ve Tekstil Yatırımları A.Ş." in accordance with the decision of the Board of Directors dated 27 January 2014, the approval of Capital Markets Board ("CMB") and the Republic of Turkey the Ministry of Customs and Trade on 10 April 2014. The ultimate parent of the Company as at 30 June 2015 and 31 December 2014 is Boyner Holding. The Company is registered to CMB and 15% of its shares were offered to İstanbul Stock Exchange ("ISE") for the first time in 1991 (Note:17).

The registered address of the Company is Eski Büyükdere Caddesi No: 14 Park Plaza K 15-16, Maslak, Sarıyer, İstanbul.

The core business of the Group is the investments of retail and production of textile and ready-to-wear products. The Company operates in retail industry through its consolidated subsidiaries AY Marka Mağazacılık A.Ş. ("AY Marka"), Boyner Büyük Mağazacılık A.Ş. ("BBM") and Beymen Mağazacılık A.Ş. ("Beymen") and in real estate industry, textile and ready-to-wear clothing industries through its subsidiaries BYN Gayrimenkul Geliştirme A.Ş. ("BYN") and Altınyıldız Tekstil ve Konfeksiyon A.Ş. ("AYTK" formerly known as Altınyıldız Gayrimenkul Yatırım ve Geliştirme A.Ş.). The subsidiaries of the Company, Alticom GmbH incorporated in Germany and Altınyıldız Corporation incorporated in USA operates in foreign markets for the sale and marketing of textile products. The Company together with its consolidated subsidiaries will be referred to as the "Group" hereafter.

The Group owns retail space of 367,926 square meters (290,994 square meters of its own stores and 76.932 square meters of others) (31 December 2014: 368.143 square meters (296.839 square meters of its own stores, and 71.304 square meters of others)) and operates in 378 stores (277 own stores and 101 other) (31 December 2014: 394 stores (280 own stores and 114 other).

The consolidated financial statements as at and for the interim period ended 30 June 2015 have been approved and authorized for issue on 10 August 2015 by the Board of Directors, and signed by the member of Board of Directors, Mustafa Türkay Tatar and Director of Financial Affaires, Ömer Akdoğan on behalf of Board of Directors.

NOTE 2 - BASIS OF PREPARATION OF FINANCIAL STATEMENTS

2.1 Basis of presentation

The condensed interim consolidated financial statements are prepared in accordance with Communiqué Serial II, No: 14.1, "Principles of Financial Reporting in Capital Markets" ("the Communiqué") published in the Official Gazette numbered 28676 on 13 June 2013. According to Article 5 of the Communiqué, condensed interim consolidated financial statements are prepared in accordance with the Turkish Accounting Standards ("TAS") issued by Public Oversight Accounting and Auditing Standards Authority ("POAASA"). TAS contains Turkish Accounting Standards, Turkish Financial Reporting Standards ("TFRS") and its addendum and interpretations ("TFRIC").

The Group prepared its condensed interim consolidated financial statements for the period ended 30 June 2015 in accordance with the TAS 34 "Interim Financial Reporting" ("TAS 34") in the framework of the Communique Serial XII and numbered 14.1 and its related announcements. The condensed interim consolidated financial statements and its accompanying notes are presented in compliance with the format recommended by CMB, including its mandatory information.

NOTE 2 - BASIS OF PREPARATION OF FINANCIAL STATEMENTS (Continued)

2.1 Basis of presentation (Continued)

In accordance with the TAS 34, entities are allowed to prepare a complete or condensed set of interim financial statements. In this framework, the Group has preferred to prepare condensed consolidated financial statements in the interim periods. These interim financial statements should be read in conjunction with the annual financial statements prepared for the year ended 31 December 2014.

In accordance with the CMB resolution issued on 17 March 2005, listed companies operating in Turkey are not subject to inflation accounting effective from 1 January 2005. Therefore, the condensed interim consolidated financial statements of the Group have been prepared accordingly.

The Group and its subsidiaries registered in Turkey maintains their accounting records and prepares their statutory financial statements in accordance with the Turkish Commercial Code ("TCC"), tax legislation, the Uniform Chart of Accounts issued by the Ministry of Finance and principles issued by CMB. The foreign subsidiaries maintain their books of account in accordance with the laws and regulations in force in the countries in which they are registered. These condensed interim consolidated financial statements have been prepared under historical cost conventions except for financial assets, financial liabilities and investment properties which are carried at fair value. The condensed interim consolidated financial statements are based on the statutory records, which are maintained under historical cost conventions, with the required adjustments and reclassifications reflected for the purpose of fair presentation in accordance with TAS.

Going concern assumption

The condensed interim consolidated financial statements of the Group have been prepared assuming that the Company and its fully consolidated subsidiaries will continue as a going concern on the basis that the Group will be able to realize its assets and discharge its liabilities in the normal course of business. As of 30 June 2015, total current liabilities of the Group exceeded its total current assets by TRY 647.395.642. In 2015, the Group plans to decrease its current liabilities through restructuring its short term liabilities with long term liabilities.

2.2 Seasonality of operations

The condensed interim consolidated financial statements include the effects of the seasonal variations. Therefore, the results of business operations for the first six months up to 30 June 2015 do not necessarily constitute an indicator for the results to be expected for the overall fiscal year.

2.3 Significant accounting estimates, assumptions and decisions

The preparation of condensed interim consolidated financial statements requires management to make estimations and assumptions which may affect the reported amounts of assets and liabilities as of the statement of financial position date, the disclosure of contingent assets and liabilities and the reported amounts of income and expenses during the financial period. The accounting assessments, estimates and assumptions are reviewed considering past experiences, other factors and reasonable expectations about future events under current conditions. Although the estimations and assumptions are based on the best estimates of the management's existing incidents and operations, they may differ from the actual results.

NOTE 2 - BASIS OF PREPARATION OF FINANCIAL STATEMENTS (Continued)

2.3 Significant accounting estimates, assumptions and decisions (Continued)

The condensed interim consolidated financial statements of the Group for the period ended 30 June 2015 have been prepared in accordance with the accounting policies consistent with with those of the previous financial year, except for the adoption of new and amended TFRS effective as of 1 January 2015.

2.4 Changes in Accounting Policies

Revised and amended standards and interpretations

The accounting policies adopted in preparation of the interim consolidated financial statements as at 30 June 2015 are consistent with those of the previous financial year, except for the adoption of new and amended TFRS and related interpretations effective as of 1 January 2015. The effects of these standards and interpretations on the Group's financial position and performance have been disclosed in the related paragraphs.

The new standards, amendments and interpretations which are effective for the financial statements as of 30 June 2015:

- TAS 19, "Employee benefits", effective annual periods on or after 1 July 2014. These narrow scope amendments apply to contributions from employees or third parties to defined benefit plans. The objective of the amendments is to simplify the accounting for contributions that are independent of the number of years of employee service, for example, employee contributions that are calculated according to a fixed percentage of salary. The standard does not have an impact on the financial position or performance of the Group.

- Annual improvements 2010-2012, effective annual periods on or after 1 July 2014. These amendments include changes from the 2010-12 cycle of the annual improvements project, that affect 7 standards. The improvements do not have an impact on the financial position or performance of the Group.

  - TFRS 2, "Share-based payment"
  - TFRS 3, "Business Combinations"
  - TFRS 8, "Operating segments"
  - TFRS 13, "Fair value measurement"
  - TAS 16, "Property, plant and equipment" and TAS 38, "Intangible assets"
  - Consequential amendments to TFRS 9, "Financial instruments", TAS 37, "Provisions, contingent liabilities and contingent assets", and
  - TAS 39, "Financial instruments - Recognition and measurement".

- Annual improvements 2013, effective annual periods on or after 1 July 2014. The amendments include changes from the 2011-2-13 cycle of the annual improvements project that affect 4 standards. The improvements do not have an impact on the financial position or performance of the Group.

  - TFRS 1, "First time adoption"
  - TFRS 3, "Business combinations"
  - TFRS 13, "Fair value measurement" and
  - TAS 40, "Investment property".

NOTE 2 - BASIS OF PREPARATION OF FINANCIAL STATEMENTS (Continued)

2.4 Changes in Accounting Policies (Continued)

Standards and amendments issued but not yet effective as of 30 June 2015:

- Amendment to TFRS 11, "Joint arrangements", effective annual periods beginning on or after 1 January 2016 . It is about acquisition of an interest in a joint operation. This amendment adds new guidance on how to account for the acquisition of an interest in a joint operation that constitutes a business. The amendments specify the appropriate accounting treatment for such acquisitions. The standard is not expected to have a significant effect on the financial position or performance of the Group.

- Amendments to TAS 16, "Property, plant and equipment", and TAS 41, "Agriculture", effective annual periods beginning on or after 1 January 2016 . These amendments change the financial reporting for bearer plants, such as grape vines, rubber trees and oil palms. bearer plants should be accounted for in the same way as property, plant and equipment because their operation is similar to that of manufacturing. Consequently, the amendments include them within the scope of TAS 16, instead of TAS 41. The produce growing on bearer plants will remain within the scope of TAS 41. The standard is not expected to have a significant effect on the financial position or performance of the Group.

- Amendment to TAS 16, "Property, plant and equipment" and TAS 38,'Intangible assets', effective annual periods beginning on or after 1 January 2016. In this amendment has clarified that the use of revenue based methods to calculate the depreciation of an asset is not appropriate because revenue generated by an activity that includes the use of an asset generally reflects factors other than the consumption of the economic benefits embodied in the asset. The amendment has also clarified that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset. The standard is not expected to have a significant effect on the financial position or performance of the Group.

- TFRS 14 "Regulatory deferral accounts", effective annual periods beginning on or after 1 January 2016. This standard permits first-time adopters to continue to recognise amounts related to rate regulation in accordance with their previous GAAP requirements when they adopt TFRS. However, to enhance comparability with entities that already apply TFRS and do not recognise such amounts, the standard requires that the effect of rate regulation must be presented separately from other items. The standard is not expected to have a significant effect on the financial position or performance of the Group.

- Amendments to TAS 27, "Separate financial statements", effective annual periods beginning on or after 1 January 2016. These amendments allow entities to use the equity method to account for investments in subsidiaries, joint ventures and associates in their separate financial statements. The standard is not expected to have a significant effect on the financial position or performance of the Group.

NOTE 2 - BASIS OF PREPARATION OF FINANCIAL STATEMENTS (Continued)

2.4 Changes in Accounting Policies (Continued)

- Amendments to TFRS 10, "Consolidated financial statements" and TAS 28, "Investments in associates and joint ventures", effective annual periods beginning on or after 1 January 2016. These amendments address an inconsistency between the requirements in TFRS 10 and those in TAS 28 in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The main consequence of the amendments is that a full gain or loss is recognised when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognised when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary. The standard is not expected to have a significant effect on the financial position or performance of the Group.

- Annual improvements 2014, effective annual periods beginning on or after 1 January 2016. These set of amendments impacts 4 standards. The standard is not expected to have a significant effect on the financial position or performance of the Group.

    - TFRS 5, "Non-current assets held for sale and discontinued"
    - TFRS 7, "Financial instruments: Disclosures", (with consequential amendments to TFRS 1) regarding servicing contracts.
    - TAS 19, "Employee benefits" regarding discount rates.
    - TAS 34, "Interim financial reporting" regarding disclosure of information.

- Amendment to TAS 1, "Presentation of financial statements", effective annual periods beginning on or after 1 January 2016. These amendments are to improve presentation and disclosure in financial reports. The standard is not expected to have a significant effect on the financial position or performance of the Group.

- Amendment to TFRS 10 and TAS 28 on investment entities applying the consolidation exception, effective annual periods beginning on or after 1 January 2016. These amendments clarify the application of the consolidation exception for investment entities and their subsidiaries. The standard is not expected to have a significant effect on the financial position or performance of the Group.

- TFRS 15 "Revenue from contracts with customers", effective annual periods beginning on or after 1 January 2017. This standard is a converged standard from the IASB and FASB on revenue recognition which will improve the financial reporting of revenue and improve comparability of the top line in financial statements globally. The standard is not expected to have a significant effect on the financial position or performance of the Group.

- TFRS 9 "Financial instruments"; effective annual periods beginning on or after 1 January 2018. This standard replaces the guidance in TAS 39. It includes requirements on the classification and measurement of financial assets and liabilities; it also includes an expected credit losses model that replaces the current incurred loss impairment model. The standard is not expected to have a significant effect on the financial position or performance of the Group.

2.5 Comparatives and restatement of prior periods' financial statements

The condensed interim consolidated financial statements of the Group include comparative financial information to enable the determination of the financial position and performance. Comparative figures are reclassified, where necessary, to conform to changes in presentation in the current period consolidated financial statements. As of 30 June 2015, there is not any significant reclassification applied in the comparative information.

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

NOTE 2 - BASIS OF PREPARATION OF FINANCIAL STATEMENTS (Continued)

2.6 Principles of consolidation

The table below sets out the subsidiaries fully consolidated, the proportion of ownership interest and the effective interest of the Group in these subsidiaries as of 30 June 2015 and 31 December 2014:

Subsidiary	Country of registration	Nature of business	30 June 2015 Effective ownership (%)	31 December 2014 Effective ownership (%)
AY Marka	Turkey	Retail operations	100,00	100,00
BBM	Turkey	Retail operations	96,58	96,58
Beymen	Turkey	Retail operations	100,00	100,00
AYTK	Turkey	Sale and marketing of textile products and real estate development	100,00	100,00
BYN	Turkey	Real estate development	100,00	100,00
Alticom (1)	Germany	Sale and marketing of textile products	100,00	100,00
Altınyıldız Corporation	USA	Sale and marketing of textile products	100,00	100,00
A&Y LLC	Dubai	Sale and marketing of textile products	100,00	100,00
Vista Sağlık Hizmetleri Ticaret Danışmanlık A.Ş. (2)	Turkey	Health Services	-	100,00
Nişantaşı Turistik İşletmeleri A.Ş(3)	Turkey	Restaurant operations	75,00	-
İzkar Giyim Ticaret ve Sanayi A.Ş("İzkar") (4)	Turkey	Retail Operations	75,00	49,60
Beymen İç ve Dış Ticaret A.Ş(5)	Turkey	Export-Import	100,00	-

(1) The liquidation process of Alticom started in 2014 and the process contiunes as of 30 June 2015.
(2) The liquidation process of Vista Sağlık Hizmetleri Ticaret Danışmanlık A.Ş has been completed 8 April 2015.
(3) Beymen, subsidiary of the Group, has purchased 75% shares of Nişantaşı Turistik in 2 March 2015 from Boyner Holding parent of the Group (Note 3).
(4) As of 28 April 2015, ownership interest of the Group in Izkar has increased from 49,60% to 75% (Note 3).
(5) Beymen, subsidiary of the Group, has purchased 100% shares of Beymen İç ve Dış Ticaret A.Ş. on 3 February 2015.

The associates and joint ventures accounted for using the equity method and the rates of effective ownership as of 30 June 2015 and 31 December 2014 are as follows:

Subsidiary	Country of registration	Nature of business	30 June 2015 Effective ownership (%)	31 December 2014 Effective ownership (%)
Christian Dior İstanbul Mağazacılık A.Ş ("Christian Dior")	Turkey	Commerce	49,00	49,00
Nile Bosphorus Retail and Trading Company ("Nile Bosphorus")	Egypt	Commerce	33,33	33,33
Elif Co. For General Trading Ltd. ("Elif Co")	Iraq	Commerce	50,00	50,00
Christian Louboutin Mağazacılık A.Ş. ("Christian Louboutin")	Turkey	Commerce	30,00	30,00

NOTE 3 - BUSINESS COMBINATIONS

The Group applies acquisition method to account for business combinations. Subsidiaries acquired are fully consolidated from the acquisition date on which control is transferred to the Group, and subsidiaries sold during the period are deconsolidated from the date of that control ceases.

a) Acquisition of BBM and Beymen

Interests of Boyner Perakende in its associates accounted for equity method were 49,99% and 29,99% for Beymen and BBM, respectively, and Fennella S.a.r.l. ("Fennella"); which is an establishment of Citi Venture Capital International ("CVCI") is the other shareholder in Beymen and BBM. On 31 May 2013, Boyner Perakende purchased Fennella's shares in the ratio of 50.00% at Beymen and 30, 05% at BBM's shares and signed a share purchase agreement with Fennella on the same date.

As a result of the transaction, the change in the control has been regarded as a business combination achieved in stages in accordance with Business Combinations "TFRS 3". Within this framework, Beymen and BBM which had been accounted for using the equity method until 31 May 2013, have been included in the scope of consolidation from 1 June 2013 forth and interests in the ratio of 3,45% arising from publicly traded shares have been accounted for as non-controlling interest. Accordingly, in a business combination achieved in stages, the acquirer's previously held interest is re-measured to fair value at the acquisition date and a gain or loss is recognized in the income statement.

According to the articles of share purchase agreement dated 31 May 2013, Boyner Perakende will pay minimum USD 287.000.000 in return of the Fennella's shares in Beymen in the ratio of 50,01%. USD 11.000.000 out of this amount was paid in cash at 31 May 2013 which is the share transfer date and remaining balance was paid in two instalments amounting to USD 30.500.000 and USD 245.500.000 on 2 June 2014 and 19 June 2015, respectively. In addition to these payments, in the event of 50% of the value that will be calculated by using the 2014 financial statements of Beymen exceeds the minimum value which had been determined as USD 266.680.000, an additional payment to Fennella may be made with an upper limit of USD 89.820.000. For the purchase of the shares of Fennella in Beymen in the ratio of 50,00% by Boyner Perakende, payables amounting to USD 276.000.000 with due dates of 2 June 2014 and 19 June 2015, have been discounted to its value at 31 May 2013 by 6% which is the general borrowing cost rate of Boyner Perakende in terms of USD. As a result of the calculation, difference amounting to USD 28.915.808 (TRY 53.959.789) has been taken into consideration during the determination of goodwill within the application of purchase price allocation in accordance with TFRS 3, instead of accounting for under income statement.

According to the articles of share purchase agreement dated 31 May 2013, Boyner Perakande will pay USD 96.700.000 in return of the Fennella's shares in BBM in the ratio of 30,05% on 5 June 2015. Mentioned amount have been discounted to its value at 31 May 2013 by 6%, difference amounting to USD 10.706.012 (TRY 19.978.489) has been taken into consideration during the determination of goodwill within the application of purchase price allocation in accordance with TFRS 3, instead of accounting for under income statement.

NOTE 3 - BUSINESS COMBINATIONS (Continued)

As a result of the acquisition of Fennella's shares in BBM in the ratio of 30,05% on 31 May 2013, Boyner Perakende's share in BBM increase to 60,04% and on 6 September 2013 pursuant to CMB's Communiqué Serial IV No. 8 on "Communique on Principles Regarding Proxy Voting at Shareholders' Meetings of Publicly Held Joint Stock Corporations, Proxy Solicitation and Tender Offer" terminal call price has been determined by CMB as TRY 7,0835 and the call commenced on 9 September 2013 for a duration of 10 business days. By way of mentioned call, shares in the ratio of 34,77% have been purchased in return of TRY 226.752.899.

Additionally, Boyner Perakende purchased BBM shares at the ratio of 1,74% from other shareholders of BBM in return of TRY 9.784.608. Mentioned acquisitions have been taken into consideration during the determination of goodwill within the application of purchase price allocation in accordance with TFRS 3.

Main assumptions used for the determination of fair values of Boyner Perakende have previously held interest in Beymen and BBM have been specified below. Mentioned studies have been prepared by a valuation company which is authorized by CMB.

BBM whose shares are traded in Borsa İstanbul ("BİST") with a ratio of 39,96%, "BİST value" (company's value based on its own share prices), "discounted cash flows" and "net asset value" methods have been used and BBM's market price has been determined by using the weighted average of these three methods. Pursuant to CMB's bulletin dated 23 August 2013, in accordance with CMB's Communiqué Serial IV No. 8 on "Communique on Principles Regarding Proxy Voting at Shareholders' Meetings of Publicly Held Joint Stock Corporations, Proxy Solicitation and Tender Offer", in the fair value studies it has been found to be more appropriate to use call price calculated previously for the determination of BİST value (31 May value: USD 3,4329) and according to this calculation BBM's BİST value has been determined to be as 649.742 thousand of TRY and BBM's value according to the weighted average of the three methods mentioned above determined as 615.736 thousands of TRY.

For the fair value of Beymen as at 31 May 2013, "discounted cash flows", "comparable company method" and "net asset value" methods have been used and Beymen's market price has been determined as 1.012.978 thousands of TRY by using the weighted average of these three methods.

In this context, in the "discounted cash flows" methods used for the determination of fair values of Beymen and BBM, companies free cash flow projections which are based on budgets covering a five year period have been taken into consideration. Projected free cash flows after the five year period have been calculated by using the estimated growth rates. Projected free cash flows have been discounted to their present values. Information such as growth rates of the sector in which companies operate in, gross domestic product per capita and price indices have been externally generated. Estimations related to variables such as trade goods prices, working capital requirement and capital expenditures have been based on the Group's forecasts and prior period realizations.

Consequently, fair values increases of Beymen and BBM amounting to TRY 470.018.541 and TRY 155.593.774, respectively, determined as a result of the valuation of Boyner Perakende's share in Beymen and BBM with the ratios of 49,99% and 29,99%, respectively at 31 May 2013, have been accounted for under income from investment activities.

NOTE 3 - BUSINESS COMBINATIONS (Continued)

All acquisition transactions mentioned above are considered collectively in the determination of goodwill. Fair value exercise of the assets and liabilities acquired as a result of the acquisition of BBM and Beymen is performed by the independent experts and finalized as of 31 May 2014. The identified intangible assets which are recognized during the aforementioned exercise are mainly comprised of brands, customer loyalty programs, rent and franchise contracts. The identifiable intangible assets acquired have been recognized at fair value at the acquisition date.

In the course of acquisition, in the context of TFRS 3, purchase price allocation is required to be exercised for all of the subsidiaries and associates in the consolidated financial statements of acquire. BBM, acquired 63% shares of Yeni Karamürsel Giyim ve İhtiyaç Maddeleri Ticaret ve Sanayi A.Ş. ("YKM") that operates in retail sector and 20,62% of Yeni Karamürsel Giyim ve İhtiyaç Maddeleri Pazarlama A.Ş. ("YKM Pazarlama") that is a subsidiary of YKM on 7 September 2012. Due to the fact that fair value studies related with this acquisition has been made provisionally at the date when shares of BBM were acquired, at the initial accounting for business combination applied for the acquisition of BBM's shares it has been assumed that any significant change at the fair values of intangible assets have not been anticipated. Negotiations with the selling shareholders of YKM and YKM Pazarlama on the acquired entities net assets at the date of acquisition and value of working capital have been finalized on 30 September 2013 and their effects have been reflected to the consolidated financial statements.

In accordance with the resolution of the Board of Directors dated 3 March 2014, it is decided to merge BBM, YKM A.Ş. and YKM Pazarlama A.Ş. and BBM addressed to CMB on 14 April 2014 for the approval of CMB. The application of BBM was approved by CMB on 13 June 2014 and the merger transaction is registered to the trade registry on 30 June 2014.

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

NOTE 3 - BUSINESS COMBINATIONS (Continued)

Fair value of assets and liabilities acquired at the transaction date is as follows:

Fair value	**BBM**	**Beymen**	**Total**
Cash and cash equivalents	141.284.478	32.338.563	173.623.041
Trade receivables	49.719.156	53.069.375	102.788.531
Other receivables	5.500.135	56.642.854	62.142.989
Inventories	311.094.583	109.348.098	420.442.681
Prepaid expenses	12.581.148	8.820.764	21.401.912
Other current assets	29.575.480	8.189.421	37.764.901
Investments accounted for using the equity method	-	9.024.231	9.024.231
Tangible assets	136.900.061	56.896.444	193.796.505
Intangible assets	524.920.005	600.922.313	1.125.842.318
Deferred tax assets	6.837.631	7.348.438	14.186.069
Other non-current assets	1.030.286	65.402	1.095.688
Financial investments	-	3.812	3.812
Financial liabilities	(300.534.200)	(102.608.735)	(403.142.935)
Trade payables	(419.386.344)	(98.755.340)	(518.141.684)
Employee benefit payables	-	(6.825)	(6.825)
Other payables	(4.206)	(6.757.795)	(6.762.001)
Deferred revenue	(15.670.228)	(25.117.254)	(40.787.482)
Income tax payable	(3.499.600)	(2.119.925)	(5.619.525)
Short term provisions	-	(5.435.481)	(5.435.481)
Other short term liabilities	-	(10.402.531)	(10.402.531)
Long term financial liabilities	-	(11.177.575)	(11.177.575)
Long term deferred revenue	-	(11.936.805)	(11.936.805)
Other long term liabilities	(5.868.983)	-	(5.868.983)
Provision for employee benefits	(16.317.967)	(2.210.719)	(18.528.686)
Other long term payables	-	(67.429)	(67.429)
Deferred tax liability	(83.454.006)	(118.610.505)	(202.064.511)
Non-controlling interests	(17.830.416)	-	(17.830.416)
Net total assets	**356.877.013**	**547.462.796**	**904.339.809**
Acquired assets (A)	344.564.759	547.462.796	892.027.555
Net assets of non-controlling interests	12.312.257	-	12.312.257
Fair value of previously held interests (B)	(184.659.258)	(506.387.734)	(691.046.992)
Cash paid portion of total cost (C)	-	(20.527.100)	(20.527.100)
Liability arising from the acquisition (D)	(397.010.887)	(461.083.811)	(858.094.698)
Payables related to Fennella S.a.r.l	*(160.473.380)*	*(461.083.811)*	*(621.557.191)*
Purchased shares from the stock market	*(9.784.608)*	-	*(9.784.608)*
Shares acquired by way of tender call	*(226.752.899)*	-	*(226.752.899)*
Contingent consideration (E)	-	(12.446.229)	(12.446.229)
Cash and cash equivalents acquired (F)	141.284.478	32.338.563	173.623.041
Total consideration (C+D+E+F)	**(255.726.409)**	**(461.718.577)**	**(717.444.986)**
Goodwill acquired through business combination (G) (*)	106.041.968	-	106.041.968
Goodwill (-A-B-C-D-E+G)	**343.147.354**	**452.982.078**	**796.129.432**

(*) As of 30 September 2013, goodwill has been revised as TRY 106.041.968 as a result of the revised fair values of the identified assets of YKM and YKM Pazarlama and payment made to the seller according to the agreement. As a result of this transaction, effects of YKM and YKM Pazarlama have been taken into consideration in the goodwill calculation above.

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

NOTE 3 - BUSINESS COMBINATIONS (Continued)

b) Merger of BBA

BBA, owned by Boyner Holding with 99, 98% shares, has been transferred to AYTK through merger with all its net assets and the mentioned merger was registered on trade gazette on 29 August 2013. As a result, 25% of the shares of AYTK were transferred to Boyner Holding. On 29 November 2013, share of Boyner Holding of 25% and other shareholders who have less than 1% shares were acquired back with an amount of TRY 20.097.783. As a result of this transaction, negative merger fund amounting to TRY 12.105.679 (Note 17) is accounted under "Effect of business combinations under common control".

c) Acquisition of Nişantaşı Turistik

On 2 March 2015, Beymen acquired 75% of the shares of Nişantaşı Turistik from Boyner Holding in return of TRY 4.796.865.

The change in the control as a result of this transaction has been considered as business combinations under common control in accordance with "TFRS 3 - Business Combinations". Therefore, no goodwill is calculated based on this acquisition. The Group accounted the negative fund amounting to TRY 3.750.172 arising from this transaction in "Impact of business combinations of entities under common control" in accordance with the resolution of POAASA dated 21 July 2013 and titled "Accounting of business combinations under common control". In accordance with the resolution of "Accounting of business combinations under common control", this type of transactions is required to be accounted and presented from the beginning of the period. Since the effects of the acquisition are not material for the consolidated financial statements, the prior period's financial statements are not restated.

	2015
Net asset of Nişantaşı Turistik acquired	1.046.693
Liability arising from the acquisition	(4.796.865)
Impact of business combinations under common control (Note 17)	**(3.750.172)**

d) Acquisition of İzkar

On 28 April 2015, Beymen Mağazacılık acquired additional 25.40% of shares of İzkar which was an associate of Beymen Mağazacılık till that date with 49.60% shares and was accounted for using the equity method. The share purchase agreement is signed with Ran Konfeksiyon Ltd. Şti. at the same date. Beymen Mağazacılık provided notes payables amounting to TRY 2.035.445 in total for this transaction, with maturity terms on 31 August 2015 and 31 December 2015.

The change in the control has been considered as step acquisition in business combinations in accordance with "TFRS 3 - Business Combinations". Within this framework, İzkar which had been accounted for using the equity method until 28 April 2015, is fully consolidated starting from 1 May 2015 and 25% shares of other shareholders have been accounted for as non-controlling interest. Accordingly, the acquirer's previously held interest is re-measured to fair value at the acquisition date and gain or loss is recognized in the income statement in step acquisitions. However considering materiality, the fair value of the mentioned shares is not determined and anticipated that it is equal to the carrying valueand, the goodwill amounting to TRY 1.579.128 is recognized in the balance sheet.

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

NOTE 3 - BUSINESS COMBINATIONS (Continued)

	İzkar
Cash and cash equivalents	1.390.180
Trade receivables	378.375
Inventories	604.101
Prepaid expenses	1.160.000
Other current assets	195.270
Tangible assets	288.325
Intangible assets	12.663
Deferred tax assets	46.769
Short term financial liabilities	(1.160.000)
Trade payables	(384.478)
Employee benefit payables	(64.983)
Deferred revenue	(83.247)
Corporate tax liability	(20.467)
Other short term liabilities	(335.212)
Long term provisions	(242.584)
Net total assets	**1.784.712**
Acquired assets (A)	1.338.537
Net assets of non-controlling interests	446.175
Fair value of previously held interests (B)	(885.220)
Liability arising from the acquisition (C)	(2.032.445)
Cash and cash equivalents acquired (D)	1.390.180
Cash paid (C+D)	**(642.265)**
Goodwill (-A-B-C)	**1.579.128**

NOTE 4 - SEGMENT REPORTING

The operational activities of the Group, are organized and managed with respect to the range of products and services provided by the Group. Information regarding the Group's operational activities as of 30 June 2015 and 2014 comprise the earnings and profits obtained from operations i.e., textile and ready-to-wear products, retail store operations and real estate development and management.

The Group Management assesses the performance of operating segments by the "Earnings Before Interest Tax Depreciation and Amortization" ("EBITDA") figure generated by adjusting the EBITDA based on the financial statements prepared in accordance with TAS with necessary adjustments and reclassifications. Adjustments and reclassifications comprise of deduction of non-recurring incomes/expenses, adding back the net impact of rediscount, due date differences and foreign exchange gains and losses generated from commercial operations in accordance with CMB's Communiqué calculated together with non-recurring expenses added back of which principles are determined by the Group Management. EBITDA obtained from these amounts are defined as "Adjusted EBITDA".

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

NOTE 4 - SEGMENT REPORTING (Continued)

Segment analysis for the periods ended 30 June 2015 and 2014 is as follows:

1 January - 30 June 2015	Textile and ready wear clothes	Retail operations	Real estate development and management	Undistributed	Elimination	Total
Revenue	143.190.982	1.490.190.593	8.513.069	12.397.126	(71.821.825)	1.582.469.945
Gross profit/ (loss)	16.559.206	620.685.571	5.943.343	12.397.127	(12.111.794)	643.473.453
Capital expenditures (based on balance sheet)	2.588.823	31.543.107	-	589.999	-	34.721.929
Depreciation and amortization expenses	4.324.127	33.419.417	-	21.196.174	-	58.939.718

30 June 2015	Textile and ready wear clothes	Retail operations	Real estate development and management	Undistributed (*)	Elimination	Total
Assets and liabilities						
Segment assets	367.875.541	2.565.210.812	200.391.214	1.859.803.740	(926.719.271)	4.066.562.037
Total assets	**367.875.541**	**2.565.210.812**	**200.391.214**	**1.859.803.740**	**(926.719.271)**	**4.066.562.037**
Segment liabilities	485.164.327	2.349.761.901	70.865.121	1.293.076.476	(825.209.994)	3.373.657.831
Total liabilities	**485.164.327**	**2.349.761.901**	**70.865.121**	**1.293.076.476**	**(825.209.994)**	**3.373.657.831**

1 January - 30 June 2014	Textile and ready wear clothes	Retail operations	Real estate development and management	Undistributed	Elimination	Total
Revenue	155.476.627	1.285.827.871	23.385.705	12.182.249	(76.258.213)	1.400.614.23
Gross profit/ (loss)	17.069.634	521.390.939	8.519.435	8.653.022	(5.593.863)	550.039.167
Capital expenditures (based on balance sheet)	791.908	33.065.481	-	662.372	-	34.519.761
Depreciation and amortization expenses	4.815.515	31.747.194	-	18.751.993	-	55.314.702

31 December 2014	Textile and ready wear clothes	Retail operations	Real estate development and management	Undistributed (*)	Elimination	Total
Assets and liabilities						
Segment assets	389.748.785	2.347.083.471	200.118.872	1.813.248.021	(687.349.556)	4.062.849.593
Total assets	**389.748.785**	**2.347.083.471**	**200.118.872**	**1.813.248.021**	**(687.349.556)**	**4.062.849.593**
Segment liabilities	452.077.164	2.111.552.410	103.212.535	1.872.203.587	(610.025.703)	3.929.019.993
Total liabilities	**452.077.164**	**2.111.552.410**	**103.212.535**	**1.872.203.587**	**(610.025.703)**	**3.929.019.993**

(*) Undistributed assets and liabilities mainly consist of the assets and liabilities of Boyner Perakende which is an asset management company as of 31 December 2013.

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

NOTE 4 - SEGMENT REPORTING (Continued)

The reconciliation of EBITDA for the interim periods ended as of 30 June 2015 and 2014 is as follows:

	1 January - 30 June 2015 CMB Financial statements	**1 January - 30 June 2014 CMB Financial statements**
EBITDA	68.234.512	65.343.129
Adjustments:		
Reclassification in accordance with the format recommended by CMB	**15.661.207**	**257.350**
Foreign currency gains	*(47.108.052)*	*(42.230.057)*
Rediscount income	*(36.247.011)*	*(30.983.473)*
Term difference income	*(9.775.852)*	*(13.034.298)*
Foreign currency losses	*58.061.023*	*41.703.360*
Term difference expenses	*19.843.322*	*16.484.105*
Rediscount expense	*30.887.777*	*28.317.713*
Non-recurring (income)/expenses per Group Management, net (*)		
Other non-recurring operational expenses	*23.661.852*	*22.129.410*
Adjusted EBITDA (*)	**107.557.571**	**87.729.889**

(*) Adjusted EBITDA and non-recurring income/expenses are not defined by TFRS. These items determined by the principles defined by the Group management comprise income/expenses which are assumed by the Group management that are not part of the normal course of business and are non-recurring items. These items which are not defined by TFRS and are not in the scope of review or audit, are disclosed by the Group management separately for a better understanding and measurement of the sustainable performance of the Group.

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

NOTE 5 - CASH AND CASH EQUIVALENTS

The details of the cash and cash equivalents as of 30 June 2015 and 31 December 2014 are as follows:

	30 June 2015	**31 December 2014**
Cash	2.558.440	4.612.903
Banks	103.700.212	42.886.761
- Time deposits (*)	71.753.201	14.251.975
- Demand deposits (**)	31.947.011	28.634.786
Credit card receivables (***)	231.714.650	263.860.433
Cheques	6.153.208	5.719.051
Liquid funds	794.854	-
	344.921.364	**317.079.148**

(*) The time deposits of the Group which consist of overnights, have interest rate of %8,22 in average as of 30 June 2015 (31 December 2014: %8).

(**) Group has restricted cash amounting to TRY 10.629.921 as of 30 June 2015 (31 December 2014: TRY 6.130.205).

(***) As of 30 June 2015, the pledge on the credit card receivables of the Group is amounting to TRY 2.638.581 (31 December 2014: TRY 44.285.714).

As of 30 June 2015 and 2014, cash and cash equivalents included in the statements of cash flow are as follows:

	30 June 2015	**30 June 2014**
Cash and cash equivalents	344.921.364	233.314.018
Less: Change in restricted cash	(4.499.716)	(1.366.963)
	340.421.648	**231.947.055**

The total insurance coverage on cash and cash equivalents is amounting to TRY 76.777.896 as of 30 June 2015 (31 December 2014: TRY 77.707.896).

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

NOT 6 - FINANCIAL ASSETS AND INVESTMENTS IN ASSOCIATES

The details of the financial investments and investments in associates accounted for using the equity method as of 30 June 2015 and 31 December 2014 are as follows:

	30 June 2015		**31 December 2014**	
	Share	**Amount**	**Share**	**Amount**
Doğu Yatırım Holding A.Ş.	<%1	104.891	< 1%	104.891
Total		**104.891**		**104.891**

The Group has accounted for the financial investments with effective ownership rate below 1% ,at their cost value.

	30 June 2015		**31 December 2014**	
	Effective ownership ratio (%)	**Amount**	**Effective ownership ratio (%)**	**Amount**
Associates				
Accounted for using the equity method				
İzkar (*)	75,00	-	49,60	1.438.979
Christian Dior	49,00	5.880.196	49,00	4.928.296
Accounted at cost				
Nile Bosphorus (**)	33,33	5.472.508	33,33	5.472.508
Joint ventures				
Accounted for using the equity method				
Christian Louboutin	30,00	1.763.555	30,00	1.822.916
Elif Co (***)	50,00	-	50,00	-
		13.116.259		**13.662.699**

(*) The Group acquired 25.40% of the shares of İzkar on 28 April 2015. The profit/ loss accrued as of the date of the acqusition is accounted for using the equity method in consolidated financial statements of the Group (Note 3).

(**) Since Nile Bosphorus does not prepare its financial statements for the period ended 30 June 2015 and 31 December 2014 in accordance with TFRS, the investment of the Group in Nile Bosphorus is carried at cost.

(***) As of 30 June 2015 and 31 December 2014, the Group has presented the amount of investment accounted for using the equity method as zero, due to the losses incurred by Elif Co. As at 30 June 2015, loss which is not accounted in the consolidated financial statements due to the gap between the amount of investment and the cost of the investment accounted for using the equity method, is amounting to TRY 5.041.336 (1 January - 31 December 2014: TRY 4.035.471).

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

NOT 6 - FINANCIAL ASSETS AND INVESTMENTS IN ASSOCIATES (Continued)

The movement of investments accounted for using the equity method during the period is as follows:

	30 June 2015	30 June 2014
Opening balance of investments	13.662.699	12.141.961
Amount recognized in the current period's loss (*)	1.656.789	1.118.919
Disposal due to changes on the basis of consolidation	(885.186)	-
Dividends received	(1.318.043)	(595.200)
	13.116.259	**12.665.680**

(*) Amount recognized in the current period does not include intra group transactions.

NOT 7 - FINANCIAL LIABILITIES

The detail of the short-term financial liabilities as of 30 June 2015 and 31 December 2014 is as follows:

	30 June 2015	31 December 2014
Interest free bank borrowings (**)	12.786.352	12.021.757
Short term bank borrowings	409.923.489	376.236.082
Short term bonds issued (***)	50.595.796	50.612.194
	473.305.637	**438.870.033**

(**) Interest free bank borrowings consist of interest free loans which were borrowed for SSI payments as of 30 June 2015 and 31 December 2014.

(***) In accordance with the approval of CMB dated 29 September 2014, the commercial paper with a nominal value of TRY 50.000.000 with a maturity of 364 days, monthly interest, principal payment on the maturity date, benchmark Government Debt Securities+4.15% floating interest rate has been offered to qualified investors.

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

NOT 7 - FINANCIAL LIABILITIES (Continued)

Short-term portion of long-term financial liabilities are as follows:

	30 June 2015	31 December 2014
Short-term portion of long-term financial liabilities	434.663.892	364.960.647
Short-term portion of long-term bonds (****)	203.465.619	203.004.385
Financial lease liabilities	5.391.902	8.499.247
	643.521.413	**576.464.279**

The detail of long-term financial liabilities as of 30 June 2015 and 31 December 2014 is as follows:

	30 June 2015	31 December 2014
Long-term bank borrowings	490.136.187	368.831.015
Long-term bonds issued (****)	136.899.180	137.375.499
Financial lease liabilities	2.739.360	2.260.479
	629.774.727	**508.466.993**

(****) In accordance with the approval of CMB dated 16 September 2013, the commercial paper with a nominal value of TRY 60.000.000 with a maturity of 727 days, a quarterly coupon and principal payment on the maturity date, benchmark Government Debt Securities + 5,50% floating interest rate has been offered to qualified investors (issue date is 26 September 2013).

In accordance with the approval of CMB dated 301 March 2014, the commercial paper with a nominal value of TRY 30.000.000 with a maturity of 546 days, a quarterly coupon and principal payment on the maturity date, benchmark Government Debt Securities + 5,00% floating interest rate has been offered to qualified investors.

The Group has offered bond amounting to TRY 50,000,000 to qualified investors on 28 November 2014 with a maturity of 728 days. The coupon and principal payment are due at the end of the three month government securities and index + 4.50% quarterly floating interest rate

Bond which is issued by BBM, consecutive to registering CMB, consists of TRY 100.000.000 nominal value in 6 November 2012, 36 months maturity, monthly interest, principal payment on the maturity date, benchmark Government Debt Securities + 4,50% interest rate bond.

Bond which is issued by BBM, consecutive to registering CMB, consists of TRY 100.000.000 nominal value in 23 December 2013, 36 months maturity, monthly interest, principal payment on the maturity date, benchmark Government Debt Securities + 5,00% interest rate bond.

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

NOT 7 - FINANCIAL LIABILITIES (Continued)

The details of short-term and long-term bank borrowings are as follows:

30 June 2015

Currency	Maturity	Interest Rate (%)	Short Term	Long Term
TRY interest free borrowings	2015	-	12.786.352	-
TRY borrowings	2015-2016	11,40 - 18	664.408.788	212.399.851
USD borrowings	2015-2018	Libor + 4,75 - 6	163.494.401	214.435.785
EUR borrowings	2015-2026	5,50 - 8	16.684.192	63.300.551
			857.373.733	**490.136.187**

31 December 2014

Currency	Maturity	Interest Rate (%)	Short Term	Long Term
TRY interest free borrowings	2015	-	12.021.757	-
TRY borrowings	2015-2016	11,50-18	542.680.395	81.388.112
USD borrowings	2015-2018	Libor + 4,75-8,3	161.096.416	225.768.352
EUR borrowings	2015-2026	6,60-8	37.419.918	61.674.551
			753.218.486	**368.831.015**

The redemption schedule of the financial liabilities and bonds as of 30 June 2015 and 31 December 2014 is as follows:

	30 June 2015	31 December 2014
to be paid in 1 year	1.111.721.383	1.006.512.458
2016	296.923.121	315.260.111
2017	179.097.817	83.254.971
to be paid in 2018 and after	150.728.194	108.014.039
	1.738.470.515	**1.513.041.579**

As of 30 June 2015, with regard to the bank borrowings detailed above, the shopping mall amounting to TRY 127.049.374 (Note 12) which is reclassified as investment property and factory plant which is reclassified as inventory are encumbered with mortgage amounting to EUR 32.000.000 and TRY 200.000.000 and additionally guarantee letter amounting to TRY 200.000.000 is given with related to these mentioned assets (31 December 2014: mortgages amounting to EUR 32.000.000 and TRY 200.000.000 and guarantee letter amounting to TRY 200.000.000). In addition, as declaired at Public Disclosure Platform on 19 June 2015, ultimate parent of the Group, Boyner Holding pledged its shares in Boyner Perakende with the purpose of loan received from Qatar National Bank.

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

NOT 7 - FINANCIAL LIABILITIES (Continued)

The redemption schedule of the financial lease liabilities as of 30 June 2015 and 31 December 2014 is as follows:

	30 June 2015	**31 December 2014**
Total financial lease payments	8.871.507	11.583.381
Interest will be paid in upcoming years (-)	(740.245)	(823.655)
	8.131.262	**10.759.726**
Financial lease liabilities up to 1 year	5.391.902	8.499.247
Financial lease liabilities after 1 year	2.739.360	2.260.479
	8.131.262	**10.759.726**

As of 30 June 2015 and 31 December 2014, the details of short-term financial lease liabilities in terms of currency, is as follows:

	30 June 2015	**31 December 2014**
TRY	4.578.482	7.134.333
USD	344.822	1.358.584
EUR	468.598	6.330
	5.391.902	**8.499.247**

The summary of long term finance lease liabilities in terms of foreign currency is as below:

	30 June 2015	**31 December 2014**
TRY	1.377.995	2.137.567
EUR	1.357.351	1.908
USD	4.014	121.004
	2.739.360	**2.260.479**

As of 30 June 2015, letter of guarantees amounting to USD 189.288, EUR 676.688 and TRY 2.337.960 are given regarding the financial leasing liabilities disclosed above (31 December 2014: USD 586.353, EUR 3.098 and TRY 1.516.527).

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

NOTE 8 - DERIVATIVE FINANCIAL INSTRUMENTS

The details of derivative instruments are as follows:

	30 June 2015	31 June 2014
Financial assets arising from swap transactions - short term (*)	10.341.845	1.683.738
Financial assets arising from swap transactions - long term (*)	17.004.690	3.248.768
	27.346.535	**4.932.506**

(*) The Group entered swap contracts in order to hedge foreign exchange risk and interest risk on 26 May 2015 for its financial liability amounting to USD 125.102.616 (TRY 336.063.169) and has converted floating interest rate loan to TRY by fixed rate with optional cross -curency swap transactions. As of 30 June 2015, the swap instruments are carried at their fair values in the condensed consolidated statement of profit or loss.

Fair value estimation

The table below analyses financial instruments carried at fair value, by valuationmethod. The different levels have been defined as follows:

Level 1 : Quoted prices (unadjusted) in active markets for identical assets or liabilities
Level 2 : 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 3 : Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

30 June 2015

Assets	Level 1	Level 2	Level 3	Total
Derivative financial assets				
- Foreign exchange contracts	-	27.346.535	-	27.346.535
Total assets	**-**	**27.346.535**	**-**	**27.346.535**

31 December 2014

Assets	Level 1	Level 2	Level 3	Total
Derivative financial assets				
- Foreign exchange contracts	-	4.932.506	-	4.932.506
Total assets	**-**	**4.932.506**	**-**	**4.932.506**

The valuation techniques used to fair value of financial instruments in Level 2

The fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date, with the resulting value discounted back to present value.

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

NOTE 9 - TRADE RECEIVABLES AND PAYABLES

Short term trade receivables

	30 June 2015	31 December 2014
Trade receivables	240.283.998	207.364.075
Notes receivables (*)	112.817.622	159.583.067
Less: Provision for doubtful receivables	(27.997.269)	(25.625.598)
Less: Rediscount	(7.479.765)	(6.589.216)
Total trade receivables from third parties	**317.624.586**	**334.732.328**
Trade receivables from related parties	52.379.474	56.992.993
Less: Rediscount	(1.131.713)	(1.211.653)
Total trade receivables from related parties (Note 25)	**51.247.761**	**55.781.340**
Total short-term trade receivables	**368.872.347**	**390.513.668**

(*) TRY 98.995.992 of the notes receivables was transferred to factoring institutions (31 December 2014: TRY 109.628.739). The factoring debts related to this transaction have been classified under other financial liabilities.

Long term trade receivables

	30 June 2015	31 December 2014
Trade receivables from related parties (Note 25)	3.767.246	3.252.007
Trade receivables from third parties	11.775.924	11.582.950
Less: Rediscount	(2.765.728)	(2.994.947)
Total long-term trade receivables	**12.777.442**	**11.840.010**

The collection period of trade receivables vary with the type of product and the agreements entered into with the customer. The average collection period is 175 days (31 December 2014: 170 days).The average collection period is 126 days for ready to wear products (31 December 2014:123 days).The average collection period of trade receivables from retail sales is 73 days (31 December 2014: 71 days).

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

NOTE 9 - TRADE RECEIVABLES AND PAYABLES (Continued)

The movement of provision for the impairment of receivables as of 30 June 2015 and 2014 is as follows:

	30 June 2015	30 June 2014
Opening balance - 1 January	**25.625.598**	**26.703.737**
Provisions	3.213.124	510.319
Collection of receivables during the current period (-)	(694.092)	(1.448.654)
Write-offs in the current period (*)	(147.361)	(10.759)
Closing balance - 30 June	**27.997.269**	**25.754.643**

(*) The balance consists of doubtful receivables written off as they were uncollectible.

Trade payables

	30 June 2015	31 December 2014
Trade payables	528.686.284	512.892.473
Notes payables	486.024.318	504.772.111
Less: Rediscount	(20.299.818)	(19.106.163)
Total trade payables from third parties	**994.410.784**	**998.558.421**
Trade payables from related parties	13.442.689	11.687.944
Less: Rediscount	(803.780)	(385.684)
Total trade payables from related parties (Note 25)	**12.638.909**	**11.302.260**
Total trade payables	**1.007.049.693**	**1.009.860.681**

The average payment period of trade payables is 180 days for textile (31 December 2014: 185 days), and 135 days for ready to wear products (31 December 2014: 141 days). The average payment period of trade payables for retail purchases is 160 days (31 December 2014: 163 days).

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

NOTE 10 - OTHER RECEIVABLES AND PAYABLES

The detail of other receivables as of 30 June 2015 and 31 December 2014 is as follows:

	30 June 2015	31 December 2014
Other receivables from customer	2.622.998	1.201.484
Due from personnel	820.755	243.736
Deposits and guarantees given	279.701	202.562
Receivables from insurance companies	231.231	298.727
Other	2.433	84.890
Total other receivables	**3.957.118**	**2.031.399**
Other receivables from related parties (Note 25)	**7.128.036**	**85.685.494**
	11.085.154	**87.716.893**

The detail of long-term other receivables as of 30 June 2015 and 31 December 2014 is as follows:

	30 June 2015	31 December 2014
Deposits and guarantees given to third parties	1.657.056	1.622.518
Total other long-term receivables	**1.657.056**	**1.622.518**

The detail of short-term other payables as of 30 June 2015 and 31 December 2014 is as follows:

	30 June 2015	31 December 2014
Short-term liabilities arising from business combinations (*)	-	774.009.638
Other (**)	35.495.466	31.238.258
Total other payables	**35.495.466**	**805.247.896**
Other payables to related parties (Note 25)	**65.986.747**	**31.534.946**
Total other payables	**101.482.213**	**836.782.842**

(*) The short term payables related to the business combinations on 31 May 2013 paid on 19 June 2015.

(**) Other short term payables include notes payables amounting to TRY 23.065.657 regarding the acquisition of shares of YKM A.Ş. and YKM Pazarlama A.Ş. on 22 October 2013.

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

NOTE 10 - OTHER RECEIVABLES AND PAYABLES (Continued)

The detail of long-term other payables as of 30 June 2015 and 31 December 2014 is as follows:

	30 June 2015	31 December 2014
Deposits and guarantees received	221.397	203.527
Other (*)	37.012.474	45.262.716
Total long term other payables	**37.233.871**	**45.466.243**

(*) Other payables include notes payables amounting to TRY 36.268.763 regarding the acquisition of shares of YKM A.Ş. and YKM Pazarlama A.Ş. on 22 October 2013.

NOTE 11 - INVENTORIES

The detail of inventories as of 30 June 2015 and 31 December 2014 is as follows:

	30 June 2015	31 December 2014
Trade goods	722.706.740	672.660.936
Finished goods	84.784.858	83.236.633
Raw materials and supplies	49.179.974	46.249.255
Real estates (**)	49.009.006	51.263.261
Semi-finished goods	25.247.764	22.142.256
Goods in transit	16.369.236	40.485.329
Auxiliary materials	12.495.032	10.010.553
	959.792.610	**926.048.223**
Less: Provision for impairment on inventories	(22.810.008)	(20.342.583)
	936.982.602	**905.705.640**

(**) The Group has signed a revenue sharing agreement with Fer Gayrimenkul Geliştirme ve İnşaat A.Ş. ("Fer Yapı") on 29 September 2010 for the project related to the construction of office, residence and commercial building on the land of the Group. The land is classified to the inventories based on its fair value on 30 September 2011 due to this revenue sharing agreement. In accordance with the protocole signed with Fer Yapı on 26 December 2014, revenue sharing is completed, land classified as inventory is derecognized while stores and residences are recognized as inventory on 31 December 2014. Revenue on real estates are recognized in the income statement when the risk and benefit of the stores and residences are transferred to the buyer.

The total insurance coverage on inventories is amounting to TRY 1.522.434.000 as at 30 June 2015 (31 December 2014: TRY 1.375.510.471).

The movement of the impairment on inventories during the periods ended 30 June 2015 and 2014 is as follows:

	2015	2014
Opening balance - 1 January	**(20.342.583)**	**(16.227.837)**
Provisions provided in current period	(2.467.425)	(2.717.417)
Closing balance - 30 June	**(22.810.008)**	**(18.945.254)**

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

NOTE 12 - INVESTMENT PROPERTIES

Fair value	1 January 2015	Additions	Disposals	Change in fair value	30 June 2015
Starcity AVM	127.040.000	9.374	-	-	127.049.374
Land in Antalya	935.000	-	(828.056)	-	106.944
Store at Unkapanı	175.000	-	-	-	175.000
Istwest Stores	10.736.740	-	-	6.103.960	16.840.700
	138.886.740	**9.374**	**(828.056)**	**6.103.960**	**144.172.018**

In accordance with the protocole signed with Fer Yapı on 26 December 2014, revenue sharing is completed, land classified as inventory is derecognized and 88 store and residences are recognized as inventory on 31 December 2014. Since 10 of the stores classified as inventories are for rent, they are transferred to investment properties.

Fair value	1 January 2014	Additions	Disposals	30 June 2014
Starcity AVM	120.240.000	15.267	-	120.255.267
Land in Antalya	935.000	-	-	935.000
Store at Unkapanı	175.000	-	-	175.000
	121.350.000	**15.267**	**-**	**121.365.267**

Istwest stores have been revaluated by equal comparison method on 26 March 2015 by Elit Gayrimenkul Değerleme A.Ş. In accordance with revaluation, fair values of the 10 stores have been determined as amounting to TRY 16.840.700. Fair value changes amounting to TRY 6.103.960 accounted under other operating income at income statement (Note 19).

The comparison of the cost of investment properties and their fair values as of 30 June 2015 is as follows:

Name	Date of expertise report	Fair value (TRY)	Cost value (TRY)
Starcity AVM	5 January 2015	127.049.374	39.232.730
Land in Antalya	5 August 2013	106.944	7.605
Store at Unkapanı	6 August 2013	175.000	43.961
Istwest Stores	26 March 2015	16.840.700	10.736.740

As of 30 June 2015, rent income from investment properties is amounting to TRY 6.007.989 (30 June 2014: TRY 5.425.747).

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

NOTE 12 - INVESTMENT PROPERTIES (Continued)

Fair value of land and buildings

As of 30 June 2015 and 31 December 2014, the fair value of land and buildings of the Group was determined by an independent expert. Increase in the revaluation amount has been recognized as other operating income in the statement of comprehensive income. The table below analyses non-financial assets carried at fair value, by valuation method. The different levels have been defined as follows:

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

30 June 2015	Quoted in active markets for identical assets prices (Level 1)	Other significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Recurring fair value measurements			
Land and buildings			
Starcity Mall	-	127.049.374	-
Land in Antalya	-	106.944	-
Store at Unkapanı	-	175.000	-
Istwest Stores	-	16.840.700	-
		144.172.018	

31 December 2014	Quoted in active markets for identical assets prices (Level 1)	Other significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Recurring fair value measurements			
Land and buildings	-	-	-
Starcity Mall	-	127.040.000	-
Land in Antalya	-	935.000	-
Store at Unkapanı	-	175.000	-
Istwest Stores	-	10.736.740	-
	-	**138.886.740**	**-**

Valuation techniques used to derive level 2 fair values

Level 2 fair values have been derived using the sales comparison approach and income capitalization method. The main input used in the sales comparison method is price per square meter. The main input used in the income capitalization method is rent cost, occupancy, annual rent increase and discount rate.

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

NOTE 13 - PROPERTY PLANT AND EQUIPMENT

The movements in property, plant and equipment and accumulated depreciations for the period ended 30 June 2015 and 2014 are as follows:

Cost	**1 January 2015**	**Additions**	**Disposals (-)**	**Transfers**	**Assets acquired through business combinations (*)**	**30 June 2015**
Lands	62.934	-	-	-	-	62.934
Plant, machinery and equipment	126.672.471	2.842.429	(55.412)	-	458.361	129.917.849
Furniture and fixtures	148.381.906	10.636.486	(203.770)	12.719	-	158.827.341
Motor vehicles	1.127.883	47.000	(49.036)	-	67.637	1.193.484
Leasehold improvements	227.488.942	13.452.240	(2.057.566)	49.032	403.989	239.336.637
Construction in progress	749.843	4.019.683	-	(62.692)	-	4.706.834
	504.483.979	**30.997.838**	**(2.365.784)**	**(941)**	**929.987**	**534.045.079**
Accumulated depreciation (-)						
Plant, machinery and equipment	(113.681.854)	(2.590.088)	29.437	-	-	(116.242.505)
Furniture and fixtures	(42.087.211)	(11.769.743)	92.620	-	-	(53.764.334)
Motor vehicles	(676.450)	(36.384)	49.036	-	-	(663.798)
Leasehold improvements	(74.851.854)	(16.629.354)	314.553	-	-	(91.166.655)
	(231.297.369)	**(31.025.569)**	**485.646**	**-**	**-**	**(261.837.292)**
Net book value	**273.186.610**					**272.207.787**

(*) Assets acquired through business combinations consist of TRY 288.325 due to İzkar acquision and TRY 641.662 due to Nişantaşı Turistik acquisition (Note 3).

Cost	**1 January 2014**	**Additions**	**Disposals (-)**	**Transfers**	**30 June 2014**
Lands	62.934	-	-	-	62.934
Plant, machinery and equipment	125.644.550	535.459	(135.621)	-	126.044.388
Furniture and fixtures	117.440.430	14.638.369	(288.930)	1.968.545	133.758.414
Motor vehicles	866.281	238.490	-	-	1.104.771
Leasehold improvements	199.053.381	10.808.592	(106.359)	5.111.278	214.866.892
Construction in progress	5.323.257	4.016.081	-	(8.972.497)	366.841
	448.390.833	**30.236.991**	**(530.910)**	**(1.892.674)**	**476.204.240**
Accumulated depreciation (-)					
Plant, machinery and equipment	(108.604.442)	(3.103.920)	109.817	-	(111.598.545)
Furniture and fixtures	(20.001.914)	(10.939.434)	143.010	-	(30.798.338)
Motor vehicles	(476.246)	(83.957)	-	-	(560.203)
Leasehold improvements	(50.052.120)	(13.912.130)	23.815	-	(63.940.435)
	(179.134.722)	**(28.039.441)**	**276.642**	**-**	**(206.897.521)**
Net book value	**269.256.111**				**269.306.719**

As of 30 June 2015, depreciation expenses amounting to TRY 24.331.946 (30 June 2014: TRY 19.801.870) has been charged in marketing expenses and TRY 3.303.702 (30 June 2014: TRY 3.717.244) has been charged in cost of sales and TRY 3.381.904 (30 June 2014: TRY 4.512.224) in general and administrative expenses and TRY 8.017 (30 June 2014: TRY 8.103) in research and development expenses.

As of 30 June 2015 total amount of insurance on tangible fixed assets TRY 1.010.330.383 (31 December 2014: TRY 877.100.395).

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

NOTE 14 - INTANGIBLE ASSETS

The movements in intangible assets and accumulated amortization for the period ended 30 June 2015 and 2014 are as follows:

Cost	**1 January 2015**	**Addition**	**Disposals (-)**	**Transfers**	**Assets acquired through business combinations**	**30 June 2015**
Rights	12.286.040	181.320	(17.928)	941	17.028	12.467.401
Brands (*)	469.359.395	268.326	-	-	-	469.627.721
Favorable rent contracts	303.382.404	-	-	-	-	303.382.404
Network of retail dealer	192.140.601	-	-	-	-	192.140.601
Customer network	76.727.000	-	-	-	-	76.727.000
Computer licenses	9.882.806	3.274.445	-	-	-	13.157.251
	1.063.778.246	**3.724.091**	**(17.928)**	**941**	**17.028**	**1.067.502.378**
Accumulate amortization (-)						
Rights	(8.664.032)	(1.798.837)	-	-	-	(10.462.869)
Favorable rent contracts	(41.048.125)	(12.962.566)	-	-	-	(54.010.691)
Network of retail dealer	(27.414.294)	(9.039.797)	-	-	-	(36.454.091)
Customer network	(8.098.961)	(2.557.567)	-	-	-	(10.656.528)
Computer licenses	(2.678.304)	(1.555.382)	-	-	-	(4.233.686)
	(87.903.716)	**(27.914.149)**	**-**	**-**	**-**	**(115.817.865)**
Net book value	**975.874.530**					**951.684.513**

(*) Assets acquired through business combinations consist of TRY 12.663 due to İzkar acquisition and TRY 4.365 due to Nişantası Turistik acquisition (Note 3).

Cost	**1 January 2014**	**Addition**	**Disposals (-)**	**Transfers**	**30 June 2014**
Rights	8.802.775	1.564.652	-	1.892.674	12.260.101
Brands	468.937.644	95.344	-	-	469.032.988
Favorable rent contracts	303.382.404	-	-	-	303.382.404
Network of retail dealer	192.140.601	-	-	-	192.140.601
Customer network	76.727.000	-	-	-	76.727.000
Computer licenses	6.302.572	2.622.774	(2.935)	-	8.922.411
	1.056.292.996	**4.282.770**	**(2.935)**	**1.892.674**	**1.062.465.505**
Accumulate amortization (-)					
Rights	(5.045.485)	(1.814.040)	-	-	(6.859.525)
Favorable rent contracts	(15.122.993)	(12.920.756)	-	-	(28.043.749)
Network of retail dealer	(9.303.531)	(9.070.966	-	-	(18.374.497)
Customer network	(2.983.828)	(2.557.567)	-	-	(5.541.395)
Computer licenses	(591.636)	(911.932)	752	-	(1.502.815)
	(33.047.473)	**(27.275.261)**	**752**	**-**	**(60.321.981)**
Net book value	**1.023.245.524**				**1.002.143.524**

NOTE 14 - INTANGIBLE ASSETS (Continued)

As of 30 June 2015 amortization expense of TRY 24.840.867 (30 June 2014: TRY 25.545.425) has been charged in marketing expenses and TRY 3.041.524 (30 June 2014: TRY 1.688.848) has been charged in general administrative expenses and TRY 23.748 (30 June 2014: TRY 28.877) in cost of sales and TRY 8.010 (30 June 2013: TRY 12.111) in research and development expenses.

Brands

Brands consist of Beymen brand whose fair value exercise completed as of 31 December 2014 and Boyner, Beymen Club and Beymen Business brands whose fair value exercises completed as of 31 May 2014 (Note 3). Furthermore, brands also include T-Box brand which is purchased from Boyner Holding on 1 October 2010 and Divarese brand purchased from Vincenzo Schilacci and Step SRL on 15 July 2011.

Brand impairment tests

As of 31 December 2014, brands have been tested for impairment by using the revenue approach. While testing the value of brand, sales estimations based on the financial budgets approved by the management have been used.

Beymen brand

While testing the value of Beymen brand, revenue plans based on the financial budgets approved by the management covering a five year period have been taken into consideration with a growth rate between 10% and 20% and accordingly the cash flows calculated with this method is discounted with a discount rate of 13,6%. For the following period after five years, cash flows have been determined with a growth rate of 4,5%. If the estimated pre-tax discount rate used for the calculation of discounted cash flows had been 1% higher/lower than the management's estimate (instead of 13,60%, 14,60% or 12,60%) the fair value as at 31 December 2014 would decrease by TRY 40.772.869 and increase by TRY 51.088.764 and no impairment has been identified in sensitivity analysis performed with the rates.

Boyner brand

While testing the value of Boyner brand, revenue plans based on the financial budgets approved by the management covering a five year period have been taken into consideration with a growth rate between 10% and 20% and accordingly the cash flows calculated with this method is discounted with a discount rate of 14,7%. For the following period after five years, cash flows have been determined with a growth rate of 4,5%. If the estimated pre-tax discount rate used for the calculation of discounted cash flows had been 1% higher/lower than the management's estimate (instead of 14,70%, 15,70% or 13,70%) the fair value as at 31 December 2014 would decrease by TRY 22.830.164 and increase by TRY 27.917.366 and no impairment has been identified in sensitivity analysis performed with the rates.

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

NOTE 14 - INTANGIBLE ASSETS (Continued)

T-box brand

While testing the value of T-box brand, revenue plans based on the financial budgets approved by the management covering a five year period have been taken into consideration with a growth rate between 15% and 30% and accordingly the cash flows calculated with this method is discounted with a discount rate of 13,5%. As of 31 December 2014, the Group has not identified any impairment as a result of this test. Discount rate after tax being 1% higher/lower (being 14,5% or 12,5% instead 13,5%) which is used in discounted cash flow calculations causes decrease at fair value amounting to TRY 2.895.870 or increase amounting to TRY 3.690.926 and no impairment has been identified in sensitivity analysis performed with the rates.

As a result of the impairment tests for goodwill performed based on the assumptions explained above, the Group did not identify any impairment as of 31 December 2014. As the fair values of the brands are higher than their carrying values, management did not calculate the recoverable amounts in terms of value in use. As of 30 June 2015, the impairment test has not been performed since there are no indicators of impairment.

NOTE 15 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

Short term provision for employee benefits

Short term provision for employee benefits amounting to TRY 14.218.392 as of 30 June 2015 (31 December 2014: TRY 12.226.042) consists of provision for unused vacation rights, and bonus provision.

Other short term provisions

Other short term provision as of 30 June 2015 and 31 December 2014 are as follows:

	30 June 2015	**31 December 2014**
Provision for sales returns and price differences	9.450.638	8.277.667
Provision for litigation	4.337.295	2.998.275
Other	520.331	42.121
	14.308.264	**11.318.063**

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

NOTE 15 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)

The movement of other short term provisions is as follows:

	1 January 2015	Additions	Paid provisions	30 June 2015
Provision for sales returns and price differences	8.277.667	9.266.629	(8.093.658)	9.450.638
Provision for litigation	2.998.275	1.738.177	(399.157)	4.337.295
Other	42.121	484.055	(5.845)	520.331
Total	**11.318.063**	**11.488.861**	**(8.498.660)**	**14.308.264**

	1 January 2014	Additions	Paid provisions	30 June 2014
Provision for sales returns and price differences	8.310.125	8.043.476	(8.136.718)	8.216.883
Provision for litigation	3.228.417	183.416	(495.349)	2.916.484
Other	-	496.809	(33.772)	463.037
Total	**11.538.542**	**8.723.701**	**(8.665.839)**	**11.596.404**

Guarantees, pledges, and mortgages

Guarantees, pledges, and mortgages "GPM" given by the Company as of 30 June 2015 and 31 December 2014 are as follows:

	30 June 2015	31 December 2014
The GPM's given by the Group		
A. Total amount of GPMs which the Company provided on behalf of its own legal entity	3.534.612	26.044.872
B. Total amount of GPMs which the Company provided on behalf of associates that are included to full consolidation	706.950.919	424.240.764
C. Total amount of GPMs which the Company provided on behalf of third parties to conduct business activities	-	-
D Total amount of other GPMs provided	-	-
i. On behalf of majority shareholder	-	-
ii. On behalf of other group companies which are not included in item B or C	-	-
iii On behalf of third parties which are not covered by item C	-	-
	710.485.531	**450.285.636**

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

NOTE 16 - COMMITMENTS

The payment schedule of the operational leasing of the Group that is contracted over a year and is not stated in the financial statements as of 30 June 2015 and 31 December 2014 are as follows:

Operational lease commitments (vehicles):

	30 June 2015	31 December 2014
Payable within 1 year	2.650.094	2.762.593
Payable within 1 - 5 years	2.257.394	2.801.405
	4.907.488	**5.563.998**

Operational lease commitments (Stores):

	30 June 2015	31 December 2014
Payable within 1 year	179.691.094	132.356.880
Payable within 1 - 5 years	166.857.963	195.059.192
Payable within 5 - 10 years	18.235.633	20.903.311
	364.784.690	**348.319.383**

Financial lease commitments:

	30 June 2015	31 December 2014
Payable within 1 year	5.391.902	8.499.247
Payable within 1 - 5 years	2.739.360	2.260.479
	8.131.262	**10.759.726**

Operational lease commitments (Office):

	30 June 2015	31 December 2014
Payable within 1 year	9.761.705	14.695.729
Payable within 1 - 5 years	1.900.000	2.200.000
	11.661.705	**16.895.729**

The commitments of the Group related to export operations as of 30 June 2015 is amounting to USD 15.238.914 (31 December 2014: USD 5.477.247).

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

NOTE 17 - EQUITY

The shareholders and the shareholding structure of Boyner Perakende at 30 June 2015 and 31 December 2014 are as follows:

	30 June 2015		31 December 2014	
	Share	**Amount (TRY)**	**Share**	**Amount (TRY)**
Boyner Holding. (*)	%54,83	31.634.495	%79,11	31.645.113
Mayhoola for Investments OPC (**)	%30,68	17.700.000	-	-
Other shareholders and public offering (***)	%14,49	8.365.505	%20,89	8.354.887
Paid-in capital	**%100,00**	**57.700.000**	**100,00%**	**40.000.000**
Inflation adjustment difference in share capital		56.061.369		56.061.369
Total adjusted capital		**113.761.369**		**96.061.369**

(*) Due to the liquidity affordance transactions, Boyner Holding ownership rate differs on a daily basis.

(**) In accordance with the approval of CMB dated 1 June 2015 and numbered 14/674, the share capital increased from TRY 40,000,000 to TRY 57,700,00, and issued shares with nominal value of TRY 17,700,000 are sold to Mayhoola for Investments OPC for TRY 885,000,000 in total, with private placement of TRY 50 for each share whose nominal value is amounting to TRY 1 each through Istanbul Stock Exchange Wholesale Market. In consequence of private placement transaction, share premium amounting to TRY 867,300,000 accounted under "Share premium".

(***) Represents shareholding less than 10%.

As of 30 June 2015, the registered share capital of the Company is TRY 57.000.000 (31 December 2014: TRY 40.000.000) and the Company's share capital consists of 5.770.000.000 issued shares with TRY 0,01 nominal value each (31 December 2014: 4.000.000.000).

Legal Reserve

a) The first legal reserve is appropriated out of net statutory income at the rate of 5% per annum, until the total reserve reaches 20% of the Group's historical paid in share capital.

b) The second legal reserve is appropriated at the rate 10% per annum of all distributions in excess of the historical paid in share capital. The legal reserves may be used to offset losses in the event that historical general reserve is exhausted.

Retained earnings in statutory records are available for distribution in the framework of the above mentioned legal rules.

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

NOTE 17 - EQUITY (Continued)

Restricted reserves consist of, legal reserves, gain on sale of subsidiary and gain on sale of investment properties, are as follows:

	30 June 2015	31 December 2014
Legal reserves	10.467.368	10.467.368
Legal reserves arising from tax exemption related to the gain from the sale of subsidiary (*)	1.080.833	1.080.833
Legal reserves arising from tax exemption related to the gain from the sale of investment property share (*)	21.902.906	21.902.906
	33.451.107	**33.451.107**

(*) In accordance with the Corporate Tax Law, 75% of the profit obtained from the sales of share in subsidiaries and investment properties is considered as tax exempt in such condition that the amount is kept in capital reserves under liabilities for 5 years. The profit assumed as tax exemption cannot be transferred to any account except for the capital account or retrieved from the Company.

Revaluation funds

The details of revaluation funds as of 30 June 2015 and 31 December 2014 are as follows:

	30 June 2015	31 December 2014
Revaluation fund related to the land on which the factory plant was located	78.824.810	78.824.810
Revaluation fund related to the land classified as investment property	15.722.470	15.722.470
Total of revaluation funds	**94.547.280**	**94.547.280**
Classification of the special fund arising from sale of investment property	(15.722.470)	(15.722.470)
Deferred tax effect	(3.943.025)	(3.943.025)
Transfer to accumulated losses	(55.063.437)	(54.315.675)
	19.818.348	**20.566.110**

The movement of revaluation funds as of 30 June 2015 and 31 December 2014 is as follows:

	30 June 2015	31 December 2014
Revaluation fund at the beginning of period	**20.566.110**	**29.805.030**
Transfer to accumulated losses (*)	(747.762)	(8.804.530)
Closing balance – 30 June	**19.818.348**	**21.000.500**

(*) As of 30 June 2015 and 31 December 2014, the deliveries for the completed parts of the project have been started as explained in Note 11. Revaluation fund associated with the part which is accounted as income in the financial statements has been transferred to retained earnings.

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

NOTE 17 - EQUITY (Continued)

Impact of business combinations under common control

The detail of impact of business combinations under common control as of 30 June 2015 and 31 December 2014 is as follows:

	30 June 2015	31 December 2014
Impact of the acquisition of BBM	(43.646.268)	(43.646.268)
Impact of the acquisition of Beymen	(202.724.939)	(202.724.939)
Merge impact of BBA	7.478.755	7.478.755
Acquisition of AYTK shares from non-controlling interest (Note 3)	(12.105.679)	(12.105.679)
Acquisition of YKM shares from non-controlling interest	(56.878.535)	(56.878.535)
Impact of the acquisition of Nişantaşı Turistik (Note 3)	(3.750.172)	-
	(311.626.838)	**(307.876.666)**

NOTE 18 - REVENUE AND COST OF SALES

Revenue

	1 January - 30 June 2015	1 April - 30 June 2015	1 January - 30 June 2014	1 April - 30 June 2014
Domestic sales	1.809.240.201	926.970.652	1.595.434.360	817.832.570
Foreign sales	33.911.289	20.070.563	33.748.467	19.710.695
Other sales	1.801.223	928.844	3.002.548	2.465.746
Sales returns (-)	(199.313.588)	(99.148.219)	(158.992.859)	(82.818.074)
Sales discounts (-)	(63.169.180)	(37.250.279)	(72.578.277)	(38.405.362)
	1.582.469.945	**811.571.561**	**1.400.614.239**	**718.785.575**

Cost of sales

	1 January - 30 June 2015	1 April - 30 June 2015	1 January - 30 June 2014	1 April - 30 June 2014
Cost of trade goods sold	(845.702.587)	(408.354.749)	(745.348.580)	(355.762.491)
Cost of finished goods sold	(90.724.181)	(52.219.001)	(78.384.784)	(44.543.714)
Cost of services given and real estate sold	(2.569.724)	(2.392.909)	(26.841.708)	(12.103.851)
	(938.996.492)	**(462.966.659)**	**(850.575.072)**	**(412.410.056)**

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

NOTE 19 – OTHER OPERATING INCOME/ (EXPENSES) FROM OPERATING ACTIVITIES

Other operating income from operating activities

	1 January - 30 June 2015	1 April - 30 June 2015	1 January - 30 June 2014	1 April - 30 June 2014
Foreign exchange income	47.108.052	21.133.420	42.230.057	15.116.771
Rediscount income	36.247.011	211.875	30.983.473	1.525.477
Interest income arising from the sales with extended terms	9.775.852	5.232.523	13.034.298	6.042.005
Increase in fair value of investment properties (Note 12)	6.103.960	6.103.960	-	-
Commission income	2.074.728	1.835.509	3.053.576	1.911.699
Rent income	1.774.693	944.488	2.273.633	1.049.296
Collection of impaired receivables (Note 9)	694.092	159.475	1.448.654	678.863
Other	13.650.679	5.389.628	13.308.981	8.171.766
	117.429.067	**41.010.787**	**106.332.672**	**34.495.877**

Other operating expenses from operating activities

	1 January - 30 June 2015	1 April - 30 June 2015	1 January - 30 June 2014	1 April - 30 June 2014
Foreign exchange losses	58.061.023	26.560.838	41.703.360	11.714.319
Rediscount expenses	30.887.777	2.068.142	28.317.713	325.352
Interest expense arising from the purchases with extended terms	19.843.322	8.855.221	16.484.105	7.364.821
Comission expenses	708.519	333.684	471.708	37.094
Other	12.816.151	9.122.717	9.722.845	4.549.225
	122.316.792	**46.940.602**	**96.699.731**	**23.990.811**

NOTE 20 - INCOME/ (EXPENSES) FROM INVESTING ACTIVITIES

Income from investing activities

	1 January - 30 June 2015	1 April - 30 June 2015	1 January - 30 June 2014	1 April - 30 June 2014
Gain on sale of investment property	1.532.944	1.532.944	-	-
Gain on sale of fixed assets	407.306	326.082	5.703	-
	1.940.250	**1.859.026**	**5.703**	**5.411**

Loss from investing activities

	1 January - 30 June 2015	1 April - 30 June 2015	1 January - 30 June 2014	1 April - 30 June 2014
Loss on sale of fixed assets	(1.739.483)	(313.199)	(271.210)	(8.707)
	(1.739.483)	**(313.199)**	**(271.210)**	**(8.707)**

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

NOTE 21 - FINANCIAL INCOME

Financial income

	1 January - 30 June 2015	**1 April - 30 June 2015**	**1 January - 30 June 2014**	**1 April - 30 June 2014**
Foreign exchange income	12.084.774	7.040.853	21.541.443	12.748.315
Interest income	10.600.789	4.780.442	4.799.661	1.895.166
	22.685.563	**11.821.295**	**26.341.104**	**14.643.481**

NOTE 22 - FINANCIAL EXPENSES

Financial expense

	1 January - 30 June 2015	**1 April - 30 June 2015**	**1 January - 30 June 2014**	**1 April - 30 June 2014**
Foreing exchange losses	191.226.414	59.431.102	14.845.827	(17.422.256)
Interest expenses arising from bank borrowings	85.649.399	44.381.644	67.393.843	36.081.756
Interest expense arising from the purchases with extended terms	28.566.592	16.156.856	27.948.044	13.982.681
Expenses related to bills and bonds	25.591.797	12.329.093	30.763.354	16.838.375
Factoring expenses	8.131.480	4.372.850	5.885.001	3.440.041
Credit card commission expenses	6.934.730	3.262.860	6.919.287	4.449.886
Interest expenses related to employee benefits	977.569	285.315	1.019.847	562.394
Other	5.726.878	3.282.528	5.984.664	3.033.728
	352.804.859	**143.502.248**	**160.759.867**	**60.966.605**

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

NOTE 23 - TAX ASSETS AND LIABILITIES

a) Corporate tax

The Turkish corporation tax rate for 2015 is 20% (2014: 20%). This rate is applicable to the tax base derived upon exemptions and deductions stated in the tax legislation through addition of disallowable expenses to the commercial revenues of the companies with respect to the tax legislation. Taxes on profit for the period consist of the following:

	30 June 2015	31 December 2014
Corporate tax calculated	6.610.056	12.059.552
Prepaid taxes (-)	(2.044.932)	(9.861.451)
	4.565.124	**2.198.101**

Tax income and expense stated in the statement of comprehensive income are as follows:

	1 January - 30 June 2015	1 January - 30 June 2014
Current period corporate tax expense	(6.610.056)	(6.929.049)
Deferred tax income	5.513.519	9.179.789
Total tax (expense) / income	**(1.096.537)**	**2.250.740**

The reconciliation of the tax expense in the consolidated statement of comprehensive income is as follows:

	1 January - 30 June 2015	1 January - 30 June 2014
Loss before tax	**(320.824.502)**	**(124.390.334)**
Corporate tax calculated at effective tax rate (20%)	64.164.900	24.878.067
Non-deductible expenses	(4.608.966)	(1.550.716)
Non-taxable income	372.402	313.398
Carry forward tax losses on which deferred tax is not calculated	(61.475.990)	(21.398.879)
Other adjustments on which deferred tax is not calculated	646.143	(134.408)
Consolidation adjustments on which	(319.247)	(15.022)
deferred tax is not calculated	124.221	158.299
Total tax expense	**(1.096.537)**	**2.250.739**

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

NOTE 23 - TAX ASSETS AND LIABILITIES (Continued)

b) Deferred tax assets and liabilities:

The breakdowns of cumulative temporary differences and the resulting deferred tax assets/liabilities using principal tax rates are as follows:

	30 June 2015		**31 December 2014**	
	Temporary differences	**Deferred tax asset / (liability)**	**Temporary differences**	**Deferred tax asset / (liability)**
Tangible/intangible asset	975.467.286	(195.093.456)	995.933.491	(199.186.698)
Rediscount income / (expense) on receivable and payable, net	(5.155.230)	1.031.046	(2.462.377)	492.475
Impairment on inventories	(39.193.749)	7.838.751	(31.092.799)	6.218.560
Provision for employee benefits	(41.403.991)	8.280.798	(33.262.081)	6.652.416
Provision for doubtful receivables	(7.205.158)	1.441.031	(5.281.550)	1.056.310
Provision for sales returns and price differences	(9.266.629)	1.853.325	(11.246.920)	2.249.384
Deferred income and customer loyalty programs	(28.395.178)	5.679.036	(27.980.930)	5.596.186
Fair value difference of real estate recognized in the income statement	87.816.643	(17.563.329)	87.015.975	(17.403.195)
Other	(38.001.456)	7.654.737	(48.057.358)	9.620.063
Deferred tax asset/ (liability), net	**894.662.538**	**(178.878.061)**	**923.565.451**	**(184.704.499)**
Deferred tax asset		**22.277.747**		**20.780.265**
Deferred tax (liability)		**(201.155.808)**		**(205.484.764)**

The movement of deferred tax assets / (liabilities) for the periods ended 30 June 2015 and 2014 is as follows:

	2015	**2014**
Opening balance - 1 January	**(184.704.499)**	**(192.235.509)**
Tax income for the period	5.513.519	9.179.788
Amount recognized in equity	266.150	493.290
Deferred tax asset acquired through business combinations	46.769	-
Closing balance - 30 June	**(178.878.061)**	**(182.562.429)**

(*) Deferred tax asset through business combination is related to the acquisition of İzkar shares (Note 3).

Deferred tax assets and liabilities are offset due to fulfilment of conditions such that there is an applicable right for offsetting current tax assets and liabilities, and furthermore, it is intended to fulfil the current tax liabilities simultaneously with the formation of current tax assets.

As of all reporting dates, derecognized deferred tax assets are reviewed. In the event that it is likely for the future financial profits to allow gaining deferred tax assets, deferred tax assets which have not been recorded in the prior period are recognized.

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

NOTE 24 - LOSSES PER SHARE

Losses per share are calculated by dividing the net loss for the period by the weighted average number of Boyner Perakende shares during the period. The calculation is made as below.

	1 January - 30 June 2015	1 January - 30 June 2014
Loss for the current period (TRY)	(320.692.188)	(121.426.366)
Weighted average number of shares (*)	41.173.481	40.000.000
Losses per share of the equity holders of the parent (TRY)	**(7.79)**	**(3.04)**

(*) Per share of TRY 1 nominal value.

NOTE 25 - RELATED PARTY DISCLOSURES

a) Trade receivables from related parties as of 30 June 2015 and 31 December 2014 are as follows:

	30 June 2015		31 December 2014	
	Trade	Other	Trade	Other
Receivables from shareholders				
Boyner Holding	381.818	2.621.107	2.276.105	83.792.200
Receivables from associates				
Nile Bosphorus (*)	3.767.246	-	3.252.007	-
İzkar	-	-	586.877	-
Christian Dior	-	27.514	-	141.908
Receivables from joint ventures				
Elif Co	10.396.063	-	8.620.037	-
Christian Louboutin	111.209	-	164.538	-
Receivables from other related parties				
BR Mağazacılık A.Ş.	21.033.888	-	15.683.954	-
Fırsat Teknoloji A.Ş.	10.945.616	4.479.415	18.744.905	1.684.282
Ran Konfeksiyon Tekstil Deri ve Yan Ürünler Ith.ve İhr. Turizm Ltd.	3.165.828	-	4.529.644	-
Era Mağazacılık A.Ş.	5.213.339	-	5.173.150	-
Nişantaşı Turizm	-	-	2.130	67.104
Total	**55.015.007**	**7.128.036**	**59.033.347**	**85.685.494**

(*) Long-term receivables due from related parties.

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

NOTE 25 - RELATED PARTY DISCLOSURES (Continued)

b) Trade payables due to related parties as of 30 June 2015 and 31 December 2014 are as follows:

	30 June 2015		31 December 2014	
	Trade	**Other**	**Trade**	**Other**
Payables to shareholders				
Boyner Holding	804.717	39.194.700	1.411.131	8.350.048
Payables to individual shareholders	-	26.792.047	-	23.184.898
Payables to associates				
Christian Louboutin	-	-	87.933	-
Christian Dior	-	-	862.208	-
Payables to other related parties				
BNR Teknoloji A.Ş.	3.219.753	-	114.374	-
BR Mağazacılık A.Ş.	5.063.795	-	6.007.923	-
Alsis Sigorta Acentalığı A.Ş.	2.739.282	-	2.118.491	-
Boğaziçi Yatçılık ve Turizm Yatırımları A.Ş.	9.523	-	5.869	-
Fırsat Teknoloji A.Ş.	-	-	2.619	-
Yeni Ege Konfeksiyon Yan Ürünleri Ticaret ve Sanayi A.Ş.	801.839	-	691.712	-
	12.638.909	**65.986.747**	**11.302.260**	**31.534.946**

c) The details of purchase transactions with related parties for the periods ended 30 June 2015 and 30 June 2014 are as follows:

	30 June 2015			30 June 2014		
Purchases	**Goods**	**Services**	**Interest/ Other**	**Goods**	**Services**	**Interest/ Other**
Shareholders						
Boyner Holding	6.139	6.073.685	340.093	2.588	9.072.903	1.788.932
Subsidiaries						
Christian Louboutin	1.978.063	-	-	-	-	-
Christian Dior	1.312.685			-	-	-
Other related parties						
BR Mağazacılık A.Ş.	7.435.563	-	-	7.941.616	-	-
Fırsat Teknoloji A.Ş.	548.114	546.372	-	-	112.993	-
Ran Konfeksiyon Tekstil Deri Yan Ürünler Ith. ve İhr. Turizm Ltd.	-	-	144.000	-	-	-
Boğaziçi Yatçılık ve Turizm Yatırımları ve Ticaret A.Ş.	-	75.000	-	-	92.500	-
Alsis Sigorta Acentalığı A.Ş.	-	4.451.288	-	-	2.953.944	-
BNR Teknoloji A.Ş.	-	1.728.004	-	-	76.167	-
Yeni Ege Koleksiyon Yan Ürünleri Ticaret ve Sanayi A.Ş.	156.810	-	-	54.664	-	-
	11.437.374	**12.874.349**	**484.093**	**7.998.868**	**12.308.507**	**1.788.932**

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

NOTE 25 - RELATED PARTY DISCLOSURES (Continued)

	30 June 2015			30 June 2014		
Sales	**Goods**	**Services**	**Interest/ Other**	**Goods**	**Services**	**Interest/ Other**
Shareholders						
Boyner Holding	32.499	63.000	8.564.169	39.608	472.470	2.104.931
Associates						
İzkar (*)	5.030.229	-	-	4.926.042	-	-
Christian Louboutin	54.192	125.685	-	-	-	-
Christian Dior	*2.667*	*142.560*	-	-	-	-
Joint ventures						
Elif Co.	2.647.463	-	-	3.165.999	-	-
Other related parties						
BR Mağazacılık A.Ş.	28.847.828	453.605	1.634.071	18.831.179	132.834	1.278.0512
Fırsat Teknoloji A.Ş.	9.181.834	598.439	528.315	12.803.913	589.558	85.104
Alsis Sigorta Acentalığı A.Ş.	-	36.000	-	-	36.000	-
Ran Konfeksiyon Tekstil Deri ve Yan Ürünler Ith. ve İhr. Turizm Ltd.	1.801.137	-	184.269	3.011.436	-	81.407
Boyner Bireysel Ürünler Satış ve Paz. A.Ş.	4.394	15.525	-	7.885	-	-
BNR Teknoloji A.Ş.	4.569	1.672.526	1.025	-	-	-
Era Mağazacılık A.Ş.	1.504.038	369.922	-	-	-	368.679
Nişantaşı Turizm İşletmeleri A.Ş.	-	-	-	-	26.100	-
Back Up Bireysel Ürünler Satış ve Pazarlama A.Ş	-	-	-	-	15.850	-
	49.110.850	**3.477.262**	**10.911.849**	**42.786.062**	**1.272.812**	**3.918.172**

(*) İzkar is fully consolidated as of the acquisition date, 8 April 2015. The related party transactions of İzkar related to the transactions held until the acquisition date.

d) The top management team comprises of board members, general manager and deputy general managers. As of 30 June 2015, the Group has provided remuneration to its top executives amounting to TRY 22.236.806 (30 June 2014: TRY 23.197.001).

NOTE 26 - NATURE AND LEVEL OF RISK ARISING FROM FINANCIAL INSTRUMENTS

Foreign currency risk

The Group carries foreign currency risk because of its foreign currency loans and payables abroad. The risk is decreased at a certain rate due to the exports and foreign currency receivables from the local market.

The rate of net foreign currency position to equity is monitored by the management on regular basis.

The foreign currency risk is anticipated to decrease upon using local resources to cover some of the purchases made abroad.

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

NOTE 26 - NATURE AND LEVEL OF RISK ARISING FROM FINANCIAL INSTRUMENTS (Continued)

Foreign currency risk (Continued)

Foreign currency position as of 30 June 2015 and 31 December 2014 is set out in the table below:

	30 June 2015					31 December 2014				
	TRY Equivalent (Functional Currency)	USD	EUR	GBP	CHF	TRY Equivalent (Functional Currency)	USD	EUR	GBP	CHF
1. Trade receivables	34.404.452	9.969.609	2.358.909	137.843	2.786	56.911.954	16.622.575	6.111.920	313.109	-
2a. Monetary financial assets, (cash and banks account included)	4.796.461	1.445.932	292.429	9.541	-	3.421.203	1.084.633	302.789	11.562	4.442
2b. Non-Monetary financial assets	12.481.236	3.216.198	1.271.831	9.589	2.910	4.117.248	1.157.465	492.664	12.109	-
3. Other	34.005.504	2.482.582	8.985.605	128.176	-	45.254.712	2.167.576	14.132.627	101.337	-
4. Current Assets (1+2+3)	85.687.653	17.114.322	12.908.775	285.149	5.696	109.705.117	21.032.249	21.040.000	438.117	4.442
5. Trade receivables	3.767.246	1.402.392	-	-	-	3.252.007	1.402.392	-	-	-
6a. Monetary Financial Assets	-	-	-	-	-	-	-	-	-	-
6b. Non-monetary Financial Assets	805.194	-	270.000	-	-165.767	165.767	65.253	5.124	-	-
7. Other	184.236	65.253	3.000	-	-	-	-	-	-	-
8. Non-Current Assets (5+6+7)	4.756.676	1.467.645	273.000	-	-	3.417.774	1.467.645	5.124	-	-
9. Total Assets (4+8)	90.444.329	18.581.967	13.181.775	285.149	5.696	113.122.891	22.499.894	21.045.124	438.117	4.442
10. Trade payables	172.125.202	22.177.666	37.694.083	10.713	32.454	140.909.248	15.890.755	36.864.226	19.670	2.786
11. Financial liabilities	180.928.945	60.967.187	5.751.724		-	199.513.067	69.898.151	13.268.425	-	-
12a. Financial liabilities	112.736	41.967	-	-	-	830.347.662	354.717.816	2.626.710	106.604	-
12b. Other non-monetary liabilities	904.282	151.055	109.405	40.907	-	-	-	-	-	-
13. Current Liabilities (10+11+12)	354.071.166	83.337.874	43.555.213	51.620	32.454	1.170.769.977	440.506.722	52.759.361	126.274	2.786
14. Trade payables	-	-	-	-	-	-	-	-	-	-
15. Financial Liabilities	305.960.703	89.827.196	21.681.277	-	-	287.565.817	97.413.112	21.864.981	-	-
16a. Other monetary liabilities	17.418	-	5.841	-	-	100.257	36.130	5.841	-	-
16b. Other non-monetary liabilities	97.056	36.130	-	-	-	-	-	-	-	-
17. Non-current liabilities (14+15+16)	306.075.178	89.863.326	21.687.118	-	-	287.666.074	97.449.242	21.870.822	-	-
18. Total liabilities (13+17)	660.146.344	173.201.201	65.242.331	51.620	32.454	1.458.436.051	537.955.964	74.630.183	126.274	2.786
19. . Net assets of off balance sheet derivative items(liability) position (19a-19b)	-	-	-	-	-	-	-	-	-	-
19a. Total amount of assets hedged	-	-	-	-	-	-	-	-	-	-
19b. Total amount of liabilities hedged	-	-	-	-	-	-	-	-	-	-
20. Net foreign assets / (liability) position (9-18+19)	(569.702.015)	(154.619.234)	(52.060.556)	233.529	(26.758)	(1.345.313.160)	(515.456.070)	(53.585.059)	311.843	1.656
21. Net foreign currency asset / (liability) /(position of monetary items (TFRS 7.B23) (=1+2a+5+6a-10-11-12a-14-15-16a)	(616.176.846)	(160.196.082)	(62.481.587)	136.671	(29.668)	(1.394.850.887)	(518.846.364)	(68.215.474)	198.397	1.656
22 Fair value of derivative instruments used in foreign currency hedge	27.346.535	10.180.000	-	-	-	4.932.506	2.127.089	-	-	-
23. Partial total amount of foreign currency assets hedged	-	-	-	-	-	-	-	-	-	-
24. Partial total amount of foreign currency liabilities hedged	336.063.169	125.102.616	-	-	-	226.857.988	97.830.000	-	-	-
25.Export	33.542.545	4.115.487	7.326.654	469.614	-	66.071.652	11.026.212	13.541.365	769.837	-
26. Import	247.099.986	19.370.938	68.968.993	337.012	16.046	395.263.167	45.200.587	124.558.077	5 608.963	3.693

NOTE 26 - NATURE AND LEVEL OF RISK ARISING FROM FINANCIAL INSTRUMENTS (Continued)

Foreign currency sensitivity

As of 30 June 2015 and 31 December 2014, a potential change of 10% in Turkish Lira against the foreign currencies stated below will decrease the Group's profit by the amounts stated below. This analysis is based on the assumption that variables, especially the interest rates, will remain constant.

	30 June 2015			
	Profil/Loss		**Equity**	
	Foreign currency appreciation	**Foreign currency devaluation**	**Foreign currency appreciation**	**Foreign currency devaluation**
Change of USD against TRY by 10%:				
1- USD net assets / liabilities	(40.881.365)	40.881.365	-	-
2- USD hedged from risks (-)	-	-	-	-
3- USD net effect (1+2)	**(40.881.365)**	**40.881.365**	**-**	**-**
Change of EUR against TRY by 10%:				
4- EUR net assets / liabilities	(15.525.499)	15.525.499	-	-
5- EUR hedged from risks (-)	-	-	-	-
6- EUR net effect (4+5)	**(15.525.499)**	**15.525.499**	**-**	**-**
Change of other currencies against TRY by 10%:				
7- Other currencies net assets / liabilities	90.663	(90.663)	-	-
8- Other currencies hedged from risks (-)	-	-	-	-
9- Other currencies net effect (7+8)	**90.663**	**(90.663**	**-**	**-**
TOTAL (3+6+9)	**(56.316.200)**	**56.316.200**	**-**	**-**

	31 December 2014			
	Profil/Loss		**Equity**	
	Foreign currency appreciation	**Foreign currency devaluation**	**Foreign currency appreciation**	**Foreign currency devaluation**
Change of USD against TRY by 10%:				
1- USD net assets / liabilities	(122.749.951)	122.749.951	-	-
2- USD hedged from risks (-)	-	-		-
3- USD net effect (1+2)	**(122.749.951)**	**122.749.951**	**-**	**-**
Change of EUR against TRY by 10%:				
4- EUR net assets / liabilities	(15.114.737)	15.114.737	-	-
5- EUR hedged from risks (-)	-	-		-
6- EUR net effect (4+5)	**(15.114.737)**	**15.114.737**	**-**	**-**
Change of other currencies against TRY by 10%:				
7- Other currencies net assets / liabilities	112.142	(112.142)	-	-
8- Other currencies hedged from risks (-)	-	-	-	-
9- Other currencies net effect (7+8)	**112.142**	**(112.142)**	**-**	**-**
TOTAL (3+6+9)	**(137.752.546)**	**137.752.546**	**-**	**-**

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