ALTINYILDIZ MENSUCAT VE KONFEKSİYON FABRİKALARI A.Ş.

Consolidated Financial Statements
for the year ended 31 December 2010
and
Independent Auditors' Report

ALTINYILDIZ MENSUCAT VE KONFEKSİYON FABRİKALARI A.Ş.

Consolidated Financial Statements
for the year ended 31 December 2010
and
Independent Auditors' Report

TABLE OF CONTENTS

INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Shareholders
Altınyıldız Mensucat ve Konfeksiyon Fabrikaları A.Ş.

Introduction

We have audited the accompanying consolidated financial statements of Altınyıldız Mensucat ve Konfeksiyon Fabrikaları A.Ş. (the Parent Company) and its Subsidiaries which comprise the consolidated statement of financial position as at 31 December 2010, and the consolidated statements of comprehensive income, changes in equity, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes. The consolidated financial statements of the Parent Company for the accounting period 1 January – 31 December 2009 were audited by another independent auditor prior to the restatement disclosed in Note 2(v) and the said auditor expressed an unqualified opinion in the audit report dated 3 March 2010. We have separately audited the adjustment disclosed in Note 2(v) which is in relation to the restatement of the consolidated financial statements as of 31 December 2009.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the Turkish Accounting / Financial Reporting Standards (TAS / TFRS) which are issued by the Turkish Accounting Standards Board (TASB) and which are similar to the International Accounting / Financial Reporting Standards (IAS / IFRS). This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with independent auditing standards issued by the Capital Markets Board. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

Our independent audit involves the application of independent auditing techniques to obtain audit evidence about the amounts and disclosures in the financial statements. The selection of the independent auditing techniques including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error, is made by our professional judgment. In making those risk assessments; the internal control system of the entity is taken into consideration. However, this is not for the purpose of expressing an opinion on the effectiveness of the entity's internal control but for displaying the relationship between the financial statements and the internal control system prepared by the entity in order to design audit procedures that are appropriate in the circumstances. Our audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the accompanying consolidated financial statements give a true and fair view of the financial position of Altınyıldız Mensucat ve Konfeksiyon Fabrikaları A.Ş. (the Parent Company) and its Subsidiaries as of 31 December 2010, and of their financial performance and cash flows for the year then ended in accordance with the TAS/TFRS issued by the TASB.

Istanbul,
18 March 2011

Denet Bağımsız Denetim
Yeminli Mali Müşavirlik A.Ş.
Member, BDO International Network

Ömür Günel
Partner in charge

ALTINYILDIZ MENSUCAT VE KONFEKSİYON FABRİKALARI A.Ş.

Consolidated Statements of Financial Position
as of
31 December 2010 and 2009

(TL)

				Restated
	Notes		31 December 2010	31 December 2009
ASSETS				
Current Assets			550.811.477	369.069.712
Cash and Cash Equivalents	2,6		11.134.075	24.483.344
Trade Receivables				
- Trade Receivables from Related Parties	2,10,30		6.558.144	2.338.578
- Other Trade Receivables	2,10		169.996.659	147.255.396
Other Receivables				
- Other Receivables from Related Parties	2,11,30		216.703.357	114.024.917
- Other Receivables	2,11		584.972	329.001
Inventories	2,12		113.343.604	67.049.429
Other Current Assets	2,19		27.623.666	13.589.047
Sub Total			545.944.477	369.069.712
Non-Current Assets Held for Sale	27		4.867.000	-
Non-Current Assets			340.528.965	244.773.991
Trade Receivables	2,10		141.137	-
Other Receivables	2,11		387.092	161.351
Financial Assets	2,7		31.254.921	10.694.289
Investment Properties	2,13		239.147.340	105.095.711
Tangible Assets	2,14		36.577.629	116.598.163
Intangible Assets	2,15		30.180.080	11.070.760
Deferred Tax Asset	2,28		1.445.119	-
Other Non-Current Assets	2,19		1.395.647	1.153.717
TOTAL ASSETS			891.340.442	613.843.703

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

ALTINYILDIZ MENSUCAT VE KONFEKSİYON FABRİKALARI A.Ş.

Consolidated Statements of Financial Position
as of
31 December 2010 and 2009

(TL)

			Restated
	Notes	31 December 2010	31 December 2009
LIABILITIES			
Short Term Liabilities		380.722.678	320.501.429
Financial Liabilities	2,8	134.515.458	141.774.209
Other Financial Liabilities	2,9	67.463.901	71.036.737
Trade Payables			
- Trade Payables to Related Parties	2,10,30	1.628.362	810.768
- Other Trade Payables	2,10	77.042.017	40.544.159
Other Payables			
- Other Payables to Related Parties	2,11,30	66.251.281	33.647.540
- Other Payables	2,11	9.439.538	4.647.456
Taxes on Profit for the Period	2,28	3.656.360	1.257.762
Debt Provisions	2,16	7.321.412	7.276.028
Other Short Term Liabilities	2,19	13.404.349	19.506.770
Long Term Liabilities		203.483.948	63.905.392
Financial Liabilities	2,8	193.513.017	49.469.952
Provisions for Employee Benefits	2,18	9.693.703	8.373.868
Deferred Tax Liabilities	2,28	-	5.323.524
Other Long Term Liabilities	2,19	277.228	738.048
EQUITY		307.133.816	229.436.882
Parent Company Equity		307.133.816	229.436.882
Share Capital	20	40.000.000	40.000.000
Capital Restatement Differences	20	56.061.369	56.061.369
Revaluation Surplus	20	74.881.785	74.881.785
Restricted Profit Reserves	20	23.989.963	23.989.963
Retained Earnings/(Accumulated Losses)	20	34.503.765	1.193.833
Net Profit/(Loss) for the Period		77.696.934	33.309.932
Non-Controlling Interests		-	-
TOTAL LIABILITIES AND EQUITY		891.340.442	613.843.703

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

ALTINYILDIZ MENSUCAT VE KONFEKSİYON FABRİKALARI A.Ş.

Consolidated Statements of Comprehensive Income
for the years ended 31 December 2010 and 2009

(TL)

	Notes	31 December 2010	*Restated* 31 December 2009
CONTINUING OPERATIONS			
Sales Revenue	21	374.796.220	277.942.131
Cost of Sales (-)	21	(231.600.697)	(173.334.022)
GROSS PROFIT/(LOSS)		143.195.523	104.608.109
Marketing, Sales and Distribution Expenses (-)	22	(88.350.373)	(64.890.005)
General Administration Expenses (-)	22	(32.624.472)	(21.583.166)
Research and Development Expenses (-)	22	(293.368)	(277.339)
Other Operating Income	24	72.332.491	39.904.919
Other Operating Expenses (-)	24	(5.744.111)	(4.128.639)
OPERATING PROFIT/(LOSS)		88.515.690	53.633.879
Financial Income	25	82.931.729	36.704.494
Financial Expenses (-)	26	(87.594.616)	(55.378.096)
PROFIT/(LOSS) BEFORE TAX FROM CONTINUING OPERATIONS		83.852.803	34.960.277
Tax Income/(Expense) related to Continuing Operations			
- Tax Income/(Expense) for the Period	2,28	(12.924.512)	(1.257.762)
- Deferred Tax Income/(Expense)	2,28	6.768.643	(392.583)
PROFIT/(LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS		77.696.934	33.309.932
PROFIT/(LOSS) FOR THE PERIOD		77.696.934	33.309.932
OTHER COMPREHENSIVE PROFITS/(LOSSES)		-	-
TOTAL COMPREHENSIVE PROFITS/(LOSSES)		77.696.934	33.309.932
Distribution of Profit/(Loss) for the Period			
-Non-Controlling Interest		-	-
-Parent Company Shares		77.696.934	33.309.932
Distribution of Total Comprehensive Profits(Losses)			
-Non-Controlling Interest		-	-
-Parent Company Shares		77.696.934	33.309.932
- Earnings/(loss) per Share related to Continuing Operations	2,29	1,94	0,83

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

Consoldiated Statements of Changes in Equity
for the years ended 31 December 2010 and 2009
(TL)

	Notes	Share Capital	Capital Restatement Differences	Revaluation Surplus	Restricted Profit Reserves	Retained Earnings/ (Accumulated Losses)	Net Profit/ (Loss) for the Period	Total
Balance as at 1 January 2009		40.000.000	56.061.369	74.881.785	17.809.527	14.081.434	(6.707.165)	196.126.950
Transfers	20	-	-	-	6.180.436	(12.887.601)	6.707.165	-
Net profit/(loss)		-	-	-	-	-	32.558.872	32.558.872
Balance as at 31 December 2009		40.000.000	56.061.369	74.881.785	23.989.963	1.193.833	32.558.872	228.685.822

	Notes	Share Capital	Capital Restatement Differences	Revaluation Surplus	Restricted Profit Reserves	Retained Earnings/ (Accumulated Losses)	Net Profit/ (Loss) for the Period	Total
Balance as at 1 January 2010 (as previously reported)	20	40.000.000	56.061.369	74.881.785	23.989.963	1.193.833	32.558.872	228.685.822
Effect of restatement (Note 2(v))		-	-	-	-	-	751.060	751.060
Balance as at 1 January 2010 (as restated)		40.000.000	56.061.369	74.881.785	23.989.963	1.193.833	33.309.932	229.436.882
Transfers		-	-	-	-	32.558.872	(32.558.872)	-
Effect of restatement		-	-	-	-	751.060	(751.060)	-
Net profit/(loss)		-	-	-	-	-	77.696.934	77.696.934
Balance as at 31 December 2010	20	40.000.000	56.061.369	74.881.785	23.989.963	34.503.765	77.696.934	307.133.816

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

Consolidated Statements of Cash Flows
for the years ended 31 December 2010 and 2009

(TL)

	Notes	31 December 2010	31 December 2009
A. CASH FLOWS FROM OPERATING ACTIVITIES			
Net profit/(loss) for the period		77.696.934	33.309.932
Adjustments			
Depreciation and amortisation	14,15	11.908.807	11.595.838
Change in provision for termination indemnity	18	1.319.835	2.754.700
Change in deferred tax liabilities	28	(5.323.524)	1.143.643
Rediscount income/expense on receivables/payables (net)	10	(542.457)	(1.326.473)
Interest expense (+)		45.796.984	27.035.323
Interest income (-)		(23.883.742)	(11.470.034)
Change in other provisions	16	45.384	9.428.315
Change in fair value of financial assets	7	(20.559.532)	(6.528.022)
Change in fair value of investment properties	13	(63.037.611)	(32.924.250)
Change in provision for doubtful receivables	10	1.049.294	3.008.961
Change in inventory provision	12	(203.641)	-
(Profit)/loss on sale of tangible and intangible assets, (net)		(527.303)	180.764
(Profit)/loss on sale of non-current assets held for sale, (net)		1.017.000	-
Operating profit before working capital changes		24.756.428	36.208.697
(Increase) in other trade receivables and other receivables	10,11	(24.702.447)	(72.094.950)
(Increase) in balances due from related parties	10,3	(107.606.621)	(1.372.159)
Decrease/(increase) in inventories	12	(46.090.534)	10.900.619
Decrease/(increase) in other current assets	19	(14.034.619)	2.441.564
Decrease/(increase) in other non-current assets	19	(241.930)	(1.011.057)
(Decrease)/increase in other trade payables and other payables	10	41.614.021	(10.022.024)
Increase/(decrease) in trade payables to related parties	10,3	2.033.626	26.906.829
Tax payments	28	2.398.598	-
Change in deferred tax assets	28	(1.445.119)	-
Increase/(decrease) in other short term debts and liabilities	19	(6.563.241)	11.192.424
Net cash used in operating activities		(129.881.838)	3.149.943
B. CASH FLOWS FROM INVESTING ACTIVITIES			
Tangible asset acquisitions	14	(6.825.280)	(3.702.057)
Intangible asset acquisitions	15	(23.578.036)	(44.323)
Cash provided from disposal of tangible and intangible assets		978.008	831.633
Cash provided from disposal of non-current assets held for sale		2.057.000	-
Change in financial assets recognized at cost (net)	7	(1.100)	-
Net cash used in investing activities		(27.369.408)	(2.914.747)
C. CASH FLOWS FROM FINANCING ACTIVITIES			
Interest payments (-)		(43.302.836)	(31.184.731)
Interests received (+)		23.883.742	11.470.034
Increase in bank loans and lease obligations	8	134.290.166	60.412.530
Increase/(decrease) in factoring debts	9	(3.572.836)	62.809.012
(Decrease)/increase in other financial debts/receivables	11	32.603.741	(81.280.880)
Net cash provided from financing activities		143.901.977	22.225.965
Increase in cash and cash equivalents, net		(13.349.269)	22.461.161
Cash and Cash Equivalents at the Beginning of the Period	6	24.483.344	2.022.183
Cash and Cash Equivalents at the End of the Period	6	11.134.075	24.483.344

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

1. Organisation and Principal Activities

Altınyıldız Mensucat ve Konfeksiyon Fabrikaları Anonim Şirketi (the Parent Company) is a company incorporated in Istanbul as at 26 January 1952. Majority of the Parent Company shares belong to Boyner Holding A.Ş. (Boyner Holding). 15% of the said shares were offered to public for the first time in 1991; and together with the subsequent offerings, 20,80% of the Company shares are currently traded on the Istanbul Stock Exchange. The shareholding structure of the Parent Company is as follows:

	31 December 2010		31 December 2009	
Name	Nominal Value	Shareholding(%)	Nominal Value	Shareholding(%)
Boyner Holding A.Ş.	31.630.948	79,08	31.630.948	79,08
Other shareholders *	49.052	0,12	49.052	0,12
Public offering	8.320.000	20,80	8.320.000	20,80
Total	40.000.000	100,00	40.000.000	100,00

* Represents shareholdings of less than 10%.

In the accompanying financial statements, the Parent Company has consolidated its subsidiaries, namely, Alticom GmBH, Altınyıldız Italia SRL, A&Y LLC, and Altınyıldız Corporation which are branches established as a continuation of its operations mainly for the purpose of marketing its products in Germany, Italy, Dubai and the USA; BYN Gayrimenkul Geliştirme Anonim Şirketi (BYN) and Altınyıldız Gayrimenkul Yatırım ve Geliştirme A.Ş. (Altınyıldız GMY) which are companies operating in real estate development sector; and AY Marka Mağazacılık Anonim Şirketi (AY Marka) which is a company involved in retail store operations of branded articles. Furthermore, the Parent Company has a branch in Atatürk Airport Free Zone which is not an individual corporate body, and the said branch is also included in the consolidation. The Parent Company together with its consolidated subsidiaries and the free zone branch will be altogether referred to as the "Group" in the following notes.

The details of the Parent Company's subsidiaries consolidated as of 31 December 2010 are as follows:

Subsidiaries	Faaliyet alanı	Share Capital (TL)	Participation Rate (%)
AY Marka	Retail Business	23.834.133	99,99
BYN	Real Estate Development	2.000.000	99,99
Altınyıldız GMY	Real Estate Development	50.000	99,99
Alticom GmBH	Sales and Marketing of Textiles	306.679	100,00
Altınyıldız Corporation	Sales and Marketing of Textiles	228.183	100,00
A&Y LLC	Sales and Marketing of Textiles	135.919	99,99
Altınyıldız Italia SRL	Sales and Marketing of Textiles	51.748	100,00
Altınyıldız Pars A.Ş.	Sales and Marketing of Textiles	31.205	99,99

1. Organisation and Principal Activities (continued)

The details of the Parent Company's subsidiaries consolidated as of 31 December 2009 are as follows:

Subsidiaries	Faaliyet alanı	Share Capital (TL)	Participation Rate (%)
AY Marka	Retail Business	23.834.133	99,99
BYN	Real Estate Development	2.000.000	99,99
Alticom GmBH	Sales and Marketing of Textiles	306.679	100,00
Altınyıldız Corporation	Sales and Marketing of Textiles	228.183	100,00
A&Y LLC	Sales and Marketing of Textiles	135.919	99,99
Altınyıldız Italia SRL	Sales and Marketing of Textiles	51.748	100,00

The principal activities of the Group are manufacturing and marketing of wool garments, hosiery, and ready made clothes as well as retail business and real estated development operations in 90 stores throughout the country (31 December 2009 – 47 stores). As of 31 December 2010 and 2009, the number of employees of the Group is 2.676 and 1.997, respectively.

2. Presentation of the Financial Statements

i. Basis of Presentation :

The Parent Company and its subsidiaries located in Turkey maintain their books of account and prepare their statutory financial statements in Turkish Lira in accordance with the prevailing commercial and financial legislation. The foreign subsidiaries maintain their books of account and prepare their statutory financial statements in their local currencies and in accordance with the rules and regulations of the country in which they operate. The accompanying consolidated financial statements are prepared in accordance with the Capital Markets Board (CMB) Communiqué Nr. XI/29 "Communiqué Related to the Financial Reporting Principles at the Capital Markets". This Communiqué has come in force starting with the first interim financial statements subsequent to 1 January 2008 and bears in its Article 5 the provision stating that the enterprises subject to CMB apply the International Accounting / Financial Reporting Standards as accepted by the European Union (EU) taking as basis the harmonic standards, namely the Turkish Accounting / Financial Reporting Standards (TAS/TFRS), issued by the Turkish Accounting Standards Board (TASB). Furthermore, in the provisional Article 2 of the same Communiqué, it is stated that the IAS/IFRS are to be applied until the differences between the IAS/IFRS accepted by the European Union and those issued by the International Accounting Standards Board (IASB) are published by the TASB taking as basis the harmonic standards, TAS/TFRS, issued by the TASB.

However, the Turkish Accounting Standards Board (TASB) has not issued the differences between the IAS/IFRS accepted by the EU and the standards issued by the International Accounting Standards Board (IASB) as yet, hence the accompanying consolidated financial statements are prepared in accordance with the IAS/IFRS taking as basis the harmonic standards TAS/TFRS issued by the TASB. As required by the TFRS 1, comparative financial statements are prepared on the same basis. As stated below, certain adjustments and classifications have been made during the preparation of the accompanying consolidated financial statements in order to comply with the TAS/TFRS.

2. Presentation of the Financial Statements (continued)

i. Basis of Presentation (continued):

The accompanying consolidated financial statements are presented in accordance with the mandatory formats and principles announced by CMB in its Weekly Bulletin dated 14-18 April 2008 Nr. 2008-16. In order to comply with the amendments to TAS 1 which are valid for the financial periods starting at or subsequent to 1 January 2009, the balance sheet is presented under the name of “the Statement of Financial Position” and the profit/loss sections are presented in a single statement of comprehensive income.

The functional currency of the Parent Company and its subsidiaries is Turkish Lira (TL) and the accompanying consolidated financial statements and the related notes are presented in TL.

The Parent Company’s consolidated financial statements prepared as of 31 December 2010 in accordance with the Communiqué XI/29 are approved at 18 March 2011 by the Company Management to be submitted to the Board of Directors.

The Parent Company’s Board of Directors and the CMB retain the right to amend the interim financial statements while the General Meeting and the CMB retain the right to amend the annual financial statements.

ii. Adjustment of Financial Statements During Hyper-Inflationary Periods:

TAS 29 deals with the effects of inflation on financial statements and requires that financial statements prepared in the currency of a high inflation economy be stated in terms of the measuring unit current at the reporting date and that corresponding figures for previous periods be restated in the same terms. As per the resolution of the CMB dated 17 March 2005 Nr 11/367 the application of inflation adjustment of the financial statements has ended in 2005; hence, the financial statements are restated at the purchasing value of the Turkish Lira as at 31 December 2004. The additions to non-monetary items subsequent to 1 January 2005 are stated at their nominal values.

iii. Consolidation Principles:

Consolidation is realized within the scope of the Parent Company, namely, Altınyıldız Mensucat ve Konfeksiyon Fabrikaları A.Ş. in accordance with the principles stated below.

The accounting policies used by the foreign subsidiaries included in the consolidation acting as branches have been changed when deemed necessary so as to conform to those used by the Parent Company.

The items of the statement of financial position have been translated to Turkish Lira at the exchange rate valid at the reporting date and the income and expense items are translated at the average exchange rate of the period. The forein exchange differences arising from the translation are reflected to the financial statements.

The minority shareholding in the subsidiaries, namely, AY Marka, BYN, Altınyıldız GMY, A&Y LLC and Altınyıldız Pars A.Ş. are at rate of 0,01% which is considered immaterial; hence, no minority interest has been calculated.

There is no goodwill calculated as the Parent Company has participated in the consolidated subsidiaries since their dates of establishment.

The paid-in capital of the Parent Company and its subsidiaries as well as the items of their statements of financial position are added and inter-company balances among consolidated entities are eliminated.

2. Presentation of the Financial Statements (continued)

iii. Consolidation Principles (continued) :

The paid-in capital stated in the consolidated statement of financial position is that of the Parent Company while those of the subsidiaries are not recognized.

The income statement items of the Parent Company and its subsidiaries are added separately, and the sales of goods and services made among the consolidated entities are deducted from the total sales and cost of goods sold. The profit obtained from purchase and sale operations among consolidated companies is deducted from inventories and added onto the cost of goods sold and the loss originating from such operations are added onto the inventories and deducted from cost of goods sold in the consolidated financial statements. The inventory turnover method is used for elimination of inter-group profit on inventories. Income and expense items arising from operations among consolidated entities are eliminated in the related accounts in a reciprocal fashion.

iv. Adjustments :

The accompanying consolidated financial statements are prepared in accordance with TAS/TFRS with the below mentioned adjustments which are not stated in the statutory records:

- Rediscount calculation on maturity cheques, notes receivable, customers, notes payable, and suppliers
- Depreciation and amortisation adjustment related to the useful lives of tangible and intangible assets
- Deferred tax adjustment
- Inventory provision
- Termination indemnity adjustment
- Maturity difference adjustment
- Adjustment of capitalized foreign exchange differences and financial expenditures
- Evaluation of listed financial assets as per the market value
- Provision for doubtful receivables
- Adjustment on fair value of investment properties
- Provision for sales returns and price differences
- Leasing adjustment
- Elimination of inter group balances and transactions as per the consolidation procedure.

v. Comparative Information and Restatements of Prior Period Financial Statements:

The consolidated statements of financial position as of 31 December 2010 and 2009 and the related notes as well as the consolidated statements of income, changes in equity, and cash flows for the years then ended and the related notes are presented comparatively. In order to comply with the presentation of the current period financial statements, the comparative information is reclassified when deemed necessary.

The Group has observed an error in deferred tax calculation of fair value differences in financial assets recognized in the prior period consolidated financial statements and the effect of the said error is restated retroactively in accordance with the TAS 8 “Changes and Errors in Accounting Policies and Accounting Estimates”. The said restatement has decreased the profit for the current period and increased the prior year’s profit by a total of TL 751.060.

2. Presentation of the Financial Statements (continued)

v. Comparative Information and Adjustment of Prior Period Financial Statements (continued) :

The following classification changes are made in the consolidated financial statements related to prior periods:

a) The advances received amounting to TL 18.459.437 stated in the “other payables” account in the consolidated statement of financial position as of 31 December 2009 are re-classified in the “other short term liabilities” in the current period.

b) The special costs which are stated in the “tangible assets” account in the statement of financial position as of 31 December 2009 and whose net book value amounts to TL 10.429.095 are re-classified in the “intangible assets” account in the current period.

c) The bank loans of TL 708.042 stated in the “cash and cash equivalents” account in the statement of financial position as of 31 December 2009 are re-classified in the “financial liabilities” account in the current period.

vi. Offsetting:

Offsetting financial assets and liabilities can only be made under the conditions where the offsetting transaction is legally allowed and the company has an intention in this respect or where the acquisition of assets and fulfillment of liabilities are realized simultaneously.

vii. Changes and Errors in Accounting Policies and Accounting Estimates:

The Group has applied its accounting policies consistent with the prior year. Significant changes in the accounting policies and significant accounting errors are applied retrospectively and the prior period financials are re-prepared (Note 2(v)). In the event that the changes in the accounting estimates are related to one period only, they are applied only to the period in which the change has been made; however, if they are related to the future periods, they are applied both for the period in which the change has been made and for the future periods, prospectively.

viii. The New and Revised Turkish Accounting / Financial Reporting Standards:

During the current period, TASB has issued the new and revised standards with effect from 1 January 2010 and the Groups has applied those that relate to its own field of activity.

The standards introduced with effect from 31 December 2010, and the amendments and adjustments brought to the prior standards are as follows:

- TAS 24 (Amendment) - “Related Party Disclosures”
- TFRS 1 – “First Time Adoption of the Turkish Financial Reporting Standards”
- TFRS 9 – “Classification and Measurement of Financial Assets”
- TFRS Comment 14 (Amendment) – “Prepayments of a Minimum Funding Requirement”

2. Presentation of the Financial Statements (continued)

ix. Summary of Significant Accounting Policies and Valuation Procedures Applied:

(a) Financial Instruments :

Financial instruments consist of the following financial assets and liabilities:

i. Cash and cash equivalents

Cash and cash equivalents consist of cash, banks and cheques received.

Cash is composed of Turkish Lira and foreign currency balances. Turkish Lira balances are stated at their carrying values and foreign currency balances are stated at the values translated to Turkish Lira at the foreign exchange rate issued by the Turkish Central Bank at the reporting date.

Bank accounts consist of time and demand deposit accounts. Turkish Lira deposit accounts are stated at cost and the foreign currency accounts converted into Turkish Lira at the foreign currency rate issued by the Central Bank at the reporting date.

The cheques received with maturity dates exceeding the reporting date are stated in trade receivables, and they are rediscounted at a rate equivalent to the interest rate constituted for government bonds in stock markets or other organized markets.

Fair Value

As the foreign currency cash and cash equivalents are translated into Turkish Lira at the foreign exchange rates valid at the reporting date, it is assumed that the fair values of these assets approximate to their book values.

As the deposit accounts, cash and cheques received are converted into cash in very short terms, and as there is no risk of value decrease, their carrying values are deemed to approximate to their fair values.

ii. Trade Receivables

Trade receivables are financial assets created by the Group through selling goods and services directly to the customers. Trade receivables and post-dated cheques are subject to rediscount.

Fair Value

Rediscounted trade receivables for which provisions are accrued for doubtful receivables are assumed to approximate the fair values of these assets.

iii. Related Parties

A party is related to an entity if the party is a legal body or a real person which directly or indirectly controls, is controlled by, or is under common control with the entity, has an interest in the entity that gives it significant influence over the entity, and if the party is a subsidiary, an affiliate or a joint venture in which the entity is a venturer. Furthermore, members of the key management personnel of the entity, close members of the family of any individual referred to above, and parties representing post-employment benefit plan for the benefit of employees of the entity are also defined as related parties.

2. Presentation of the Financial Statements (continued)

ix. Summary of Significant Accounting Policies and Valuation Procedures Applied (continued):

(a) Financial Instruments (continued):

iv. Trade Payables

Trade payables are financial liabilities created by the Group through purchasing goods and services directly from the suppliers.

Fair Value

Discounted values of trade payables are assumed to approximate the fair values of these liabilities.

v. Short and Long Term Bank Loans

Short and long term bank loans are stated at the value computed through addition of the principal amount and the interest expenses accrued as of the reporting date, discounted by the effective interest method.

Fair Value

The fair values of short and long term bank loans are assumed to be equivalent to their carrying values computed by adding the accrued interest liabilities calculated over the effective interest rate as of the reporting dates on the cost of the mentioned financial debts.

(b) Inventories:

Inventories are stated at the lower of cost and net realizable value. Cost is determined by using the “monthly weighted average cost” method. The net realizable value is calculated as the selling price in the ordinary course of business minus the cost of completion and disposal.

For forward inventory acquisitions, the acquisition cost of the asset is discounted to its spot price in which case the difference between the total amount of payment and the spot price is recognized in the financial statements as interest expense throughout the period.

(c) Financial Assets :

The Group has classified its financial assets as those at fair value through profit or loss and those which are recognized at cost.

A financial asset is held for trading if the entity acquired it for the purpose of generating a profit from short term fluctuations in price or is part of a portfolio of financial assets subject to trading for the purpose of generating short term profit independent from the purpose of acquisition. Financial assets held for trading are first recognized in the statement of financial position at cost including the transaction costs and in the following period, they are stated at their fair values. Differences between the fair value and cost are recognized in the other income and expenses account group in the statement of income.

2. Presentation of the Financial Statements (continued)

ix. Summary of Significant Accounting Policies and Valuation Procedures Applied (continued):

(c) Financial Assets (continued):

The existence of published price quotations in an active market is the best evidence of fair value. In the event that an active market for a financial asset does not exist, the entity determines the fair value by using a valuation technique. The purpose of using a valuation technique is to estimate what the price of a financial asset would have been in a market transaction realized under normal business conditions on the measurement date, in an arm's length transaction between knowledgeable, willing parties. The said valuation techniques include using market transactions between knowledgeable and willing parties in a collective bargaining environment realized during the recent periods; taking as reference the fair value of a similar financial instrument; and the discounted cash flow analyses and option price models. If a valuation technique used widely by the market participants is found for determining the price of an equity instrument and if it is verified that the said technique provides reliable price estimates in actual transactions in the market, the entity chooses to use this valuation technique. In estimating fair value by the selected valuation technique, the use of market inputs is emphasized whereas the use of specific inputs attributable to the entity is kept at a minimum. The selected technique should comprise all factors to be considered by the market participants in the process of price determination and it should be consistent with the generally accepted methods of economics related to pricing of financial instruments. The selected valuation technique is regularly monitored by the entity and the validity of the said technique is periodically evaluated by using the prices constituted in current observable market transactions of the same instrument (i.e., without making changes or re-arrangements) or the prices obtained from available market data.

(d) Tangible Assets :

Tangible assets are stated at cost less their accumulated depreciation and impairment loss, if any.

Tangible assets have been restated using the measuring unit current at 31 December 2004 from the dates of acquisition. Additions made subsequent to 1 January 2005 are stated at their nominal values. Depreciation is made over their inflation-adjusted values of tangible assets and the nominal values of additions subsequent to 1 January 2005 by straight-line method taking into consideration the estimated useful lives of the assets.

The depreciation rates of tangible assets with respect to their average useful lives are stated in the table below:

Land improvements	4% - 25%
Buildings	2% - 20%
Machinery	7% - 12%
Plant and equipment	5% - 25%
Motor vehicles	15% - 25%
Furniture and fixtures	7% - 25%

2. Presentation of the Financial Statements (continued)

ix. Summary of Significant Accounting Policies and Valuation Procedures Applied (continued):

(d) Tangible Assets (continued):

The plot of land stated in the consolidated financial statements has been subject to valution review by an independent valuation company first on 8 December 2003 and subsequently on 21 March 2005 and 14 December 2008 as a result of which the recorded value of the land after inflation adjustment was discounted to its fair value and recognized in the financial statements. The related value increases are stated in the “value increase funds” within the Equity account. Pursuant to the Board decision of 27 September 2010, the Parent Company has sold this factory plot to Altınyıldız Gayrimenkul Yatırım ve Geliştirme A.Ş. where a project is planned to be realized covering office, residence and commercial building units for a total of TL 111.348.900 corresponding to the provisional market value determined by the Municipality for the said plot of land. The sale of the land is finalized at a total of TL 168.335.360 taking into consideration the anticipated changes in development plans. As of 31 December 2010, the said plot of land is stated in the consolidated financial statements as investment property at its fair value of TL 132.900.874 as proposed in the real estate valuation report of 14 October 2010 prepared by a valuation company authorized by the Capital Markets Board.

Expenses arising from changing any part of a tangible asset are capitalized together with the maintenance and repair costs. Subsequent expenditures can also be capitalized if they are of the nature to increase future economic benefits of the said asset. All other expense items are accounted for in the statement of income on accrual basis.

If the payment for a tangible asset is made on an installment plan, the acquisition cost of the asset is set equivalent to its down payment amount. In that case, the difference between the total payment and the down payment is recognized as interest expense throughout the loan period except where capitalization is not allowed.

Costs like start-up costs of a new operation, cost of launching new products and services including advertisement costs, costs of operating at a new place or with a new customer including personnel training costs, and general administration costs cannot be directly associated with the asset as they are not included within the purchase price of the asset and they are not incurred for the purpose of bringing the assets to an operating position in line with the management goals; hence, such costs cannot be included in the acquisition cost of the asset.

(e) Intangible Assets :

Intangible assets are stated at their cost values less accumulated amortisation and impairment losses, if any.

The acquisition values of intangible assets are considered in the restatement of intangible assets as at 31 December 2004. Additions made subsequent to 1 January 2005 are stated at their nominal values. Intangible assets are amortized over their inflation-adjusted values and the nominal values of additions subsequent to 1 January 2005, as per their useful lives. Amortisation for all intangible assets is calculated by using the normal (straight-line) method on pro rata basis.

Rights	6,66% - 25%
Leasehold improvements	20%

2. Presentation of the Financial Statements (continued)

ix. Summary of Significant Accounting Policies and Valuation Procedures Applied (continued):

(e) Intangible Assets (continued):

Intangible assets are recognized as per the three critical attributes, i.e., its identifiability, control (power to obtain benefits from the assets), and future economic benefits. In that respect, training expenses, advertisement and promotion expenses, partial or full amount of reorganization expenses and start up operations expenses excluding those that can be included in the cost of tangible assets are recognized as expense in the financial statements at the time they are realized.

If the payment for an intangible asset is made on an instalment plan, the acquisition cost of the asset is set equivalent to its down payment. In that case, the difference between the total payment and the down payment is recognized as interest expense throughout the loan period except where capitalization is not allowed.

(f) Assets and Liabilities in Foreign Currency:

Foreign currency assets and liabilities stated in the statement of financial position are translated into Turkish Lira at the foreign exchange rates announced by the Turkish Central Bank at the reporting dates. Transactions in foreign currencies during the period are translated into Turkish Lira at the actual rates applicable on the transaction date. Exchange gains and losses arising from these transactions are included in the statement of comprehensive income.

The financial position items of the subsidiaries operating as branches abroad and included in the consolidation are translated to TL at the foreign exchange rate valid at the reporting date; and the income and expense items are translated at the average rate of exchange for the period. The exchange differences arisign from the translation operation is reflected to the consolidated financial statements.

(g) Impairment of Assets :

Where the book value of an asset exceeds its recoverable value, provision is made for impairment loss so as to bring the book value of the asset down to the level of its fair value and the amount of the provision is recorded as expense in the statements of comprehensive income.

On the other hand, the recoverable value of cash generating assets is deemed to be the higher of their net sales price and the value in use. The value in use of the said assets is the present value of the future cash flows expected from these assets. In calculating the value in use, a pre-tax discount rate is used covering the future expected cash flows, time value of money, and risks attributed to the asset.

(h) Deferred Taxes :

Deferred taxes are calculated on the temporary differences that arise between the deductible tax base and the book values of assets and liabilities, by using the liability method. The main temporary differences arise from the income and expense items recognised in different periods with respect to the TAS/TFRS and the tax legislation. While deferred tax liabilities are calculated for all taxable temporary differences, deferred tax assets consisting of deductible temporary differences are calculated with the assumption that the Group will have taxable income during the future periods.

2. Presentation of the Financial Statements (continued)

ix. Summary of Significant Accounting Policies and Valuation Procedures Applied (continued):

(h) Deferred Taxes (continued):

An enterprise should offset current tax assets and current tax liabilities if the enterprise has a legally enforceable right to set off the recognised amounts, provided that the tax assets and tax liabilities are subject to the tax legislation of the same jurisdiction.

(i) Taxes on Income:

Under the Turkish Tax Code, a company that has its head office or place of business in Turkey is subject to a corporate tax.

Under the Turkish taxation system, tax losses can be carried forward to be offset against future taxable income for up to five years. Tax losses cannot be carried back to offset profits from previous periods.

Corporate earnings are subject to corporation tax at a rate of 20%. Whether exempted or not, dividends paid in cash to real persons with full liability and real persons and entities with limited liability (non-residents) are subject to income tax withholding at a rate of 15%. However, income tax withholding is not applicable to the dividends arising from 1998 and prior years' profits and from the exempt profits relating to the years 1999, 2000, 2001 and 2002 as well as income and profits corresponding to the above mentioned investment allowance taxed at the rate of 19,8%. Addition of current year and prior year profits (retained earnings) to share capital has not been regarded as distribution of profits and therefore no withholding tax is applicable to these earnings. On the other hand, no withholding tax is applicable to entities with full liability in profit distributions.

Further, provisional corporation tax is paid at a rate of 20% on the profits declared for interim periods to be deducted from the corporation tax.

With respect to the article 298 (bis) of the Tax Law amended by Law 5024 to be enacted as of 1 January 2004, the financial statements of the tax payers whose earnings are determined on balance sheet basis are subject to inflation adjustment in the event that the increase in price indices exceed 100% for the last three accounting periods including the current period and 10% for the current accounting period. In the 2009 and 2008 accounting periods, the criteria of 100% and 10% have not been realized simultaneously in the Producers Price Index and for that reason no inflation adjustment has been applied.

As of 31 December 2010 and 2009 income tax provisions have been made in accordance with the prevailing tax legislation.

(j) Employee Benefits:

Under Turkish Labour Law Article 25/II, the Company is required to pay termination indemnities to each employee who completes one year of service and whose employment is terminated upon causes that qualify the employee to receive termination indemnity, is called up for military service, leaves within one year after marriage (women only), and to those employees who retire or die. The amount payable consists of one month's salary for each year of service. This entitlement is limited to TL 2.517,01 in respect of each year of service as of 31 December 2010 (31 December 2009– TL 2.365,16).

2. Presentation of the Financial Statements (continued)

ix. Summary of Significant Accounting Policies and Valuation Procedures Applied (continued):

(j) Employee Benefits (continued):

The Company has determined the termination indemnity liability stated in the accompanying consolidated financial statements as per the recognition and valuation principles stated in TAS 19 "Employee Benefits". As the characteristics of the termination indemnity liabilities are similar to the "Post Employment Benefit Plans" stated in this standard, these liabilities are calculated and stated in the financial statements on the basis of below mentioned "Proposed Unit Loan Method" and other various assumptions.

- The dates that the employees will gain their pension rights are determined with respect to the prevailing social security laws with consideration to their past employment durations.
- In calculating the current value of future liabilities that may arise due to the retirement or contract termination of an employee, it is assumed that the current salaries and wages or the value of the termination indemnity upper limit determined by the Labour Law for 31 December 2010 to remain constant for restatement purposes, and later on, this value is reduced by the actual discount rate of 4,66 % (31 December 2009- 5,92%) calculated upon the assumption that the expected annual inflation rate will be 5,1% (31 December 2009 – 4,8%) and the expected discount rate will be 10% (31 December 2009 – 11%) which represents the proposed average interest rate per annum of the government bonds, in order to determine the current net value of the termination indemnity liability at the balance sheet date.

As of 31 December 2010 and 2009 actuarial assumptions for calculating termination indemnity are as follows:

	31 December 2009	31 December 2008
Discount rate	4,66 %	5,92 %
The ratio of the number of employees who have gained the right to receive termination indemnity in the prior years to the total number of employees	100 %	100 %

(k) Revenue :

Revenue from the sale of goods is recognized when the entity has transferred to the buyer the risks and rewards of ownership of the goods, when it is probable that the economic benefits associated with the transaction will flow to the entity, and when the amount of revenue can be measured reliably. For the sales recognized as revenue for the period, provisions are made for returns and discounts within the frame of past experiences and other relevant data. The revenues and expenses related to the same transaction are recognized simultaneously.

When cash or cash equivalents are received against sales, the received amount represents the sales revenue. However, in most cases, the Company makes forward sales and the fair value of the sales consideration is determined by discounting the receivables to their present values over the remaining period until maturity date. The interest rates used in determining the present value of the receivables are the interest rates used in discounting the sales price of the related product or service. The difference between the nominal value of the selling price and the fair value determined as such are recognized as maturity difference expenses in the related periods.

2. Presentation of the Financial Statements (continued)

ix. Summary of Significant Accounting Policies and Valuation Procedures Applied (continued):

(k) Revenue (continued):

When the collection of amounts booked as revenue becomes doubtful, recognition is made by expensing the provision made for doubtful receivables and not by adjusting the revenue total.

The net sales comprise the sales consideration invoiced after discounts and returns are deducted.

Interest revenue accrual is calculated over the effective interest rate. Rent income and expenses related to real estate consist of operational leasings. The accounting of rent income/expenses is performed throughout the rental period by straight line method.

Dividends are recognized when the shareholder's right to receive payment is established.

(l) Earnings/(Loss) per Share:

Earnings/(loss) per share is calculated by dividing the net profit or loss for the period attributable to ordinary shareholders of the Parent Company by the weighted average number of ordinary shares outstanding during the period.

Enterprises in Turkey can increase their capital through distributing bonus shares to their shareholders proportionate to their shareholding from retained earnings and differences arising from inflation adjustment in equity. These bonus shares are regarded as issued shares in the calculation of earnings/(loss) per share. Hence, retroactive calculation is made to arrive at the weighted average number of shares in respect of the bonus shares.

(m) Accounting Estimates :

During the preparation of financial statements in accordance with TAS/TFRS, the Management is required to disclose the book value of the assets and liabilities stated in the financial statements as of the reporting date and explanations regarding off balance sheet liabilities, and to provide assumptions that might affect the totals of income and expense realized during the period. However, actual results may vary from these results.

(n) Events After the Reporting Period :

If the Group receives information after the reporting date about conditions that existed at the reporting date, it updates the financial statements that relate to those conditions, in the light of the new information. If non-adjusting events after the reporting date are material, the Group discloses them during the related period.

2. Presentation of the Financial Statements (continued)

ix. Summary of Significant Accounting Policies and Valuation Procedures Applied (continued):

(o) Provisions, Conditional Assets and Liabilities :

Provisions are recognised only if the following conditions are met:
(1) there is a present obligation as a result of a past obligating event,
(2) it is probable that outflow of economic resources is required because of this obligation,
(3) the amount of obligation can be reasonably estimated.

Where the effect of the time value of money is material, the amount of a provision recognized is the present value of the expenditures expected to be required to settle the obligation and discounted before tax when deemed necessary at a discount rate comprising special risks attributable to the liability. When discounting is required, the increase in provisions arising from time differences is stated as interest expense. In determining the amount to be recognized as provision in the financial statements, it is important to use the best estimate of expenditures which will be required to fulfill the obligation present at the reporting date. In making this estimate, all risks and uncertainties need to be taken into consideration.

Conditional liabilities and assets are not recognized in the financial statements but only disclosed in the notes to the financial statements. Where it becomes probable that the sources bearing future economic benefits will flow out of the entity, the items stated as conditional liabilities are recognized as provisions in the financial statements of the period of change in probability except where a reliable estimate cannot be made.

(p) Borrowing Costs :

Borrowing costs are recognized as expense. Borrowing costs related to the qualifying assets are included directly in the cost of the related qualifying asset. Upon completion of the necessary operations to make the qualifying asset ready for use or sale, the capitalization of the borrowing costs is discontinued.

(r) Finance and Operating Leases :

The lease operations where the risks and rewards related to the ownership of the subject asset belongs to the Company are classified as financial leases. Finance leases transferring all risks and rewards of ownership of the leased asset are recorded at commencement of the lease term at the lower of the fair value of the asset and the present value of the minimum lease payments. Thereby, the fixed asset depreciation followed up under the assets is made in accordance with the policies implemented for other similar assets. Where the lease period is shorter than the useful life of the leased asset and where it is not reasonably certain that the entity will acquire the related asset at the end of the lease period, the leased asset is depreciated within the lease period; however, if the useful live of the leased assets is shorter than the lease period, it is amortised during the useful life span. The lease obligation in the statement of financial position is lowered through principal repayments while the portion of lease payments corresponding to financial expenses is recognized in the statement of comprehensive income covering the lease period during which the expenses are formed.

Leases where the lessee retains all risks and rewards of ownership are classified as operating leases. Operating lease payments are stated as expense in the statement of income throughout the lease period on straight-line basis.

2. Presentation of the Financial Statements (continued)

ix. Summary of Significant Accounting Policies and Valuation Procedures Applied (continued):

(s) Investment Properties :

Investment property is recognized as an asset when it is probable that the future economic benefits that are associated with the investment property will flow to the entity, and the cost of the investment property can be measured reliably. For measurement of investment properties subsequent to the initial recognition, the entity may choose either of the cost model or the fair value model where the fair value can be estimated reliably, and they are accounted for in accordance with the points introduced in the “tangible assets” section.

(t) Government Grants and Donations :

All government grants including non-monetary grants stated at fair value are recognized when there is reasonable assurance that the entity will comply with any conditions attached to the grant and the grant will be received. A forgivable loan provided by the government is treated as a government grant where there is reasonable assurance that the terms of forgiveness of the loan will be met by the entity.

3. Business Combinations

As of 31 December 2010 and 2009, the Group did not have any transactions within the scope of business combinations.

4. Business Partnerships

As of 31 December 2010 and 2009, the Group did not have any transactions within the scope of business partnerships.

5. Segment Reporting

The Group's business operations are administered and organized with respect to the range of products and services provided by the Group. Information regarding the Group's business activities as of 31 December 2010 comprise the earnings and profits obtained from operations i.e., textile, ready-made clothes, AY Marka Mağazacılık, and real estate development (BYN and Altınyıldız GMY).

As of 31 December 2010, segment reporting consists of the following(TL):

1 January-31 December 2010	Textile	Ready-Made Clothes	Ay Marka	BYN	Altınyıldız GMY	Undistributed	Elimination	Total
Sales revenue	109.839.637	96.286.838	225.966.175	2.915.670	--	--	(60.212.100)	374.796.220
Cost of sales (-)	(93.670.214)	(81.753.865)	(114.945.203)	--	--	--	58.768.585	(231.600.697)
Gross profit	**16.169.423**	**14.532.973**	**111.020.972**	**2.915.670**	**--**	**--**	**(1.443.515)**	**143.195.523**
Marketing, sales, and distribution expenses(-)	(6.838.540)	(3.140.871)	(78.370.962)	--	--	--	--	(88.350.373)
General administration expenses (-)	(13.728.969)	(3.869.275)	(9.126.733)	(3.424.087)	(2.476.008)	--	600	(32.624.472)
Research and development expenses (-)	(293.368)	--	--	--	--	--	--	(293.368)
Other operating income	2.217.509	154.243	6.107.873	13.468.766	53.880.000	--	(3.495.900)	72.332.491
Other operating expenses(-)	(1.027.055)	(462)	(4.704.918)	(11.676)	--	--	--	(5.744.111)
Operating profit	**(3.501.000)**	**7.676.608**	**24.926.232**	**12.948.673**	**51.403.992**	**--**	**(4.938.815)**	**88.515.690**
Financial income	79.250.452	1.809.468	4.374.556	3.832.265	930.000	--	(7.265.012)	82.931.729
Financial expenses	(63.218.614)	(3.107.018)	(13.158.209)	(8.060.613)	(7.315.174)	--	7.265.012	(87.594.616)
Profit before tax from continuing operations	**12.530.838**	**6.379.058**	**16.142.579**	**8.720.325**	**45.018.818**	**--**	**(4.938.815)**	**83.852.803**
Tax expense related to continuing operations, net	**--**	**--**	**--**	**--**	**--**	**(6.155.869)**	**--**	**(6.155.869)**
Taxes for the period (-)	--	--	--	--	--	(12.924.512)	--	(12.924.512)
Deferred tax income/(expense)	--	--	--	--	--	6.768.643	--	6.768.643
Profit for the period from continuing operations	**12.530.838**	**6.379.058**	**16.142.579**	**8.720.325**	**45.018.818**	**(6.155.869)**	**(4.938.815)**	**77.696.934**
31 December 2010								
Assets and liabilities								
Segment assets	565.369.713	81.776.431	171.453.275	172.320.362	153.022.681	--	(254.047.139)	889.895.323
Undistributed assets	--	--	--	--	--	1.445.119	--	1.445.119
Total assets	**565.369.713**	**81.776.431**	**171.453.275**	**172.320.362**	**153.022.681**	**1.445.119**	**(254.047.139)**	**891.340.442**
Segment liabilities	427.428.909	69.740.612	138.884.175	64.098.429	107.953.863	--	(227.555.722)	580.550.266
Undistributed liabilities	--	--	--	--	--	3.656.360	--	3.656.360
Total liabilities	**427.428.909**	**69.740.612**	**138.884.175**	**64.098.429**	**107.953.863**	**3.656.360**	**(227.555.722)**	**584.206.626**
Other Segment Information								
Depreciation	6.562.129	925.411	398.500	--	--	--	--	**7.886.040**
Amortisation	27.008	21.622	4.431.142	--	--	--	--	**4.479.772**

5. Segment Reporting (continued)

The Group's business operations are administered and organized with respect to the range of products and services provided by the Group. Information regarding the Group's business activities as of 31 December 2009 comprise the earnings and profits obtained from operations i.e., textile, ready-made clothes, and AY Marka Mağazacılık.

As of 31 December 2009, segment reporting consists of the following(TL):

1 January-31 December 2009	Textile	Ready-Made Clothes	Ay Marka	BYN	Altınyıldız GMY	Undistributed
Sales revenue	99.653.309	70.383.919	159.327.441	--	(51.422.538)	277.942.131
Cost of sales (-)	(81.688.988)	(58.183.813)	(82.735.446)	--	49.274.225	(173.334.022)
Gross profit	**17.964.321**	**12.200.106**	**76.591.995**	**--**	**(2.148.313)**	**104.608.109**
Marketing, sales, and distribution expenses(-)	(5.041.167)	(1.992.367)	(57.856.471)	--	--	(64.890.005)
General administration expenses (-)	(11.771.745)	(2.540.134)	(7.271.287)	--	--	(21.583.166)
Research and development expenses (-)	(277.339)	--	--	--	--	(277.339)
Other operating income	33.733.987	230.122	5.940.810	--	--	39.904.919
Other operating expenses(-)	(54.827)	(85.687)	(3.988.125)	--	--	(4.128.639)
Operating profit	**34.553.230**	**7.812.040**	**13.416.922**	**--**	**(2.148.313)**	**53.633.879**
Financial income	40.323.902	989.459	1.859.288	--	(6.468.155)	36.704.494
Financial expenses	(46.420.290)	(2.871.731)	(12.554.230)	--	6.468.155	(55.378.096)
Profit before tax from continuing operations	**28.456.842**	**5.929.768**	**2.721.980**	**--**	**(2.148.313)**	**34.960.277**
Tax expense related to continuing operations, net	**--**	**--**	**--**	**(1.650.345)**	**--**	**(1.650.345)**
Taxes for the period (-)	--	--	--	(1.257.762)	--	(1.257.762)
Deferred tax income/(expense)	--	--	--	(392.583)	--	(392.583)
Profit for the period from continuing operations	**28.456.842**	**5.929.768**	**2.721.980**	**(1.650.345)**	**(2.148.313)**	**33.309.932**

31 December 2009						
Assets and liabilities						
Segment assets	576.960.659	46.255.862	114.048.931	--	(123.421.749)	613.843.703
Undistributed assets	--	--	--	--	--	--
Total assets	**576.960.659**	**46.255.862**	**114.048.931**	**--**	**(123.421.749)**	**613.843.703**
Segment liabilities	335.933.651	40.972.056	93.957.885	--	(95.439.463)	375.424.129
Undistributed liabilities	--	--	--	8.982.692	--	8.982.692
Total liabilities	**335.933.651**	**40.972.056**	**93.957.885**	**8.982.692**	**(95.439.463)**	**384.406.821**
Other Segment Information						
Depreciation	6.909.603	892.686	383.704	--	--	**8.185.993**
Amortisation	22.786	3.157	3.383.902	--	--	**3.409.845**

6. Cash and Cash Equivalents

Cash and cash equivalents consist of the following (TL) :

	31 December 2010	31 December 2009
Cash	111.433	42.777
Banks deposits	8.147.459	23.493.335
- Time deposits	2.750.000	-
- Demand deposits*	5.397.459	23.493.335
Cheques and other liquid assets	2.875.183	947.232
Total	11.134.075	24.483.344

* The Group has blocked deposits of TL 268.990 and Euro 1.757 as of 31 December 2010 (31 December 2009 – Euro 10.001.757).

* As of 31 December 2010, the interest rates on TL time deposits at banks vary between 6% and 6,75% (31 December 2009 – none).

7. Financial Assets

Financial assets consist of the following (TL) :

	31 December 2010		31 December 2009	
	Participation Rate	Amount	Participation Rate	Amount
Financial assets at fair value through profit or loss;				
Boyner Mağazacılık A.Ş.*	8,15%	31.064.394	8,15%	10.504.862
Financial assets recognized at cost;				
Doğu Yatırım Holding A.Ş.	< 1%	104.891	< 1%	104.891
BBA Beymen Boğaziçi Alboy A.Ş.	< 1%	74.171	< 1%	73.086
Alsis Sigorta Acentalığı A.Ş.	< 1%	11.361	< 1%	11.346
Lom Renkli Giyim Ürünleri Paz. A.Ş.	< 1%	104	< 1%	104
Total		31.254.921		10.694.289

* 39,90% of Boyner Mağazacılık A.Ş. shares are traded on the Istanbul Stock Exchange (ISE); hence, the fair value of Boyner Mağazacılık A.Ş. is assumed to be commensurate with its share values at the ISE as of 31 December 2010 and 2009.

8. Financial Liabilities

Short term financial liabilities consist of the following (TL) :

	31 December 2010	31 December 2009
Bank loans	117.586.198	123.375.940
Short term portion of long term financial liabilities	14.647.201	13.197.477
Lease obligations	2.282.059	5.200.792
Total	134.515.458	141.774.209

The details of short term bank loans and the interest rate intervals are as follows:

	Average interest rates	31 December 2010	31 December 2009
TL loans	12,57%	100.379.221	101.356.234
USD loans	7,12%	17.189.940	18.877.873
Euro loans	-	-	3.141.833
Other	-	17.037	-
Total		117.586.198	123.375.940

The details of short term lease obligations are as folows:

	31 December 2010	31 December 2009
Euro	626.984	3.058.492
USD	1.467.547	1.818.978
TL	187.528	323.322
Total	2.282.059	5.200.792

In relation to the post-dated lease obligations elaborated in the chart above, guarantee notes have been given as of 31 December 2010 in the amounts of USD 316.071 and TL 174.864 (31 December 2009 - Euro 315.744, USD 160.251 and TL 631.722).

Long term financial liabilities consist of the following (TL) :

	31 December 2010	31 December 2009
Bank loans	192.311.063	46.976.340
Lease obligations	1.201.954	2.493.612
Total	193.513.017	49.469.952

8. Financial Liabilities (continued)

The maturities of long term loans vary between 11 March 2012 and 23 June 2017.

As of 31 December 2010, the interest rate on long term USD loan is 9%; the interest rate on TL loan is 11,90%; the interest rate on Euro loan varies between 6,50% and 9% (31 December 2009 USD: 9,28%, TL : 19,65%, Euro : 6,43%).

As of 31 December 2010, there is a mortgage lien of Euro 40.000.000 and TL 200.000.000 on the land classified by the Group as investment property at a fair value of TL 239.134.874 and a guarantee note of TL 200.000.000 in relation to the bank loans stated above (31 December 2009 –EU 40.000.000).

Long term lease obligations are set out in the table below:

	31 December 2010	31 December 2009
Euro	-	661.009
TL	205.262	142.190
USD	996.692	1.690.413
Total	1.201.954	2.493.612

9. Other Financial Liabilities

As of 31 December 2010 and 2009, the entire amount of the Group’s other financial liabilities account represents the totals obtained against the receivables transferred to factoring institutions. The Group transfers some of its receivables as “revocable” to the local factoring companies. As the Group has not transferred all of its risks related to the said trade receivables given on discount to the factoring institutions and as these institutions reserve the right of recourse to the Parent Company for the aforesaid totals in case of failure to collect the total either partially or in full before maturity, the said amount is not excluded from the accompanying consolidated financial statements and the liabilities to the factoring institutions are recognized as “other financial liabilities”.

10. Trade Receivables and Payables

Short term trade receivables consist of the following:

	31 December 2010	31 December 2009
Trade receivables	71.542.645	51.051.355
Notes receivable *	100.752.893	98.223.082
Doubtful trade receivables	6.125.310	5.076.016
Provision for doubtful trade receivables (-)	(6.125.310)	(5.076.016)
Rediscount on receivables (-)	(2.298.879)	(2.019.041)
Total other trade receivables	169.996.659	147.255.396
Trade receivables from related parties	6.660.480	2.365.423
Rediscount on related parties (-)	(102.336)	(26.845)
Total trade receivables from related parties (Note 30)	6.558.144	2.338.578
Total short term trade receivables	176.554.803	149.593.974

* A portion of the notes receivable amounting to TL 67.463.901 has been transferred to factoring institutions (31 December 2009 – TL 71.036.737). The factoring debts related to this transaction have been classified under ‘other financial liabilities’ account.

Long term trade receivables consist of the following (TL) :

	31 December 2010	31 December 2009
Trade receivables	150.340	-
Rediscount on receivables (-)	(9.203)	-
Total long term trade receivables	141.137	-

The collection period of trade receivables vary with the type of product and the agreements entered into with the customer such that the average period of collection is 127 days for local sales of ready made clothes, 27 days for export ready made cloths, 135 days for local textile sales and 37 days for textile exports.

When cash or cash equivalents are received against sales, the received amount represents the sales revenue. However, in most cases, the Company makes forward sales and the fair value of the sales consideration is determined by discounting the receivables to their present values over the remaining period until maturity date. The interest rates used in determining the present value of the receivables are the interest rates used in discounting the sales price of the related product or service which are 6,49% for TL, 0,34% for USD, and 0,85% for Euro as of 31 December 2010 (31 December 2009 – 7,14% for TL, 0,23 for USD, and 0,46% for Euro). The difference between the nominal value of the selling price and the fair value determined as such are recognized as maturity difference expenses in the related periods.

10. Trade Receivables and Payables (continued)

The Group makes provisions for doubtful receivables on customer basis for trade receivables with collection problems. The provision amount covers the balances due from customers that cannot realize repayment and those the collaterals of which cannot be used.

As of 31 December 2010 and 2009, changes in provision for doubtful trade receivables is set out in the table below (TL):

	31 December 2010	31 December 2009
Opening balance	5.076.016	2.270.693
Provisions made	1.109.465	3.008.961
Collections made during the year (-)	(60.171)	(203.638)
Closing balance	6.125.310	5.076.016

Trade payables consist of the following (TL) :

	31 December 2010	31 December 2009
Suppliers	77.562.500	40.740.561
Rediscount on payables (-)	(520.483)	(196.402)
Total other trade payables	77.042.017	40.544.159
Trade payables to related parties	1.643.889	824.608
Rediscount on related parties (-)	(15.527)	(13.840)
Total trade payables to related parties (Note 30)	1.628.362	810.768
Total trade payables	78.670.379	41.354.927

The average payment terms of trade payables is 82 days for local textile purchases, 106 days for imports, 136 days for local ready made clothing purchases and 60 days for imports.

When cash or cash equivalents are used in payments, the paid amount represents the cost value. However, in most cases, the Company makes forward purchases and the fair value of the purchase value is determined by discounting the payables to their present values over the remaining period until maturity date. The interest rates used in determining the present value of the payables are the average interest rates used in discounting the acquisition price of the related product or service which are 6,42% for TL, 0,27% for USD, and 0,63% for Euro (31 December 2009 – 7% for TL, 0,26% for USD, and 0,59% for Euro). The difference between the nominal value of the buying price and the fair value determined as such are recognized as maturity difference income in the related periods.

11. Other Receivables and Payables

Short term other receivables consist of the following (TL) :

	31 December 2010	31 December 2009
Deposits and guarantees given	74.151	126.593
Due from personnel	60.467	100.627
Other	450.354	101.781
Total other receivables	584.972	329.001
Other receivables from related parties (Note 30)	216.703.357	114.024.917
Total other receivables	217.288.329	114.353.918

Long term other receivables consist of the following (TL) :

	31 December 2010	31 December 2009
Deposits and guarantees given	382.044	156.435
Other	5.048	4.916
Total	387.092	161.351

Short term other payables consist of the following (TL) :

	31 December 2010	31 December 2009
Due to personnel	5.408.114	2.603.531
Social security premiums payable	1.681.860	1.076.499
Taxes and funds payable	1.615.308	843.476
Other	734.256	123.950
Total other payables	9.439.538	4.647.456
Other payables to related parties (Note 30)	66.251.281	33.647.540
Total other payables	75.690.819	38.294.996

12. Inventories

Inventories consist of the following (TL) :

	31 December 2010	31 December 2009
Raw materials and supplies	18.123.601	12.547.361
Semi-finished goods	26.033.925	12.623.868
Finished goods	41.099.810	34.178.042
Trade goods	28.963.709	8.781.240
Inventory provision (-)	(877.441)	(1.081.082)
Total	113.343.604	67.049.429

12. Inventories (continued)

As of 31 December 2010, the total insurance on inventories amounts to TL 100.700.000 (31 December 2009 – TL 70.075.000).

As of 31 December 2010 and 2009, changes in inventory provision are set out in the table below (TL) :

	31 December 2010	31 December 2009
Opening balance	1.081.082	1.081.082
Provisions made	437.109	-
Provisions no longer required (-)	(640.750)	-
Closing balance	877.441	1.081.082

13. Investment Properties

As of 31 December 2010 and 2009, changes in investment properties are set out in the table below (TL):

Cost	Opening 1 January 2010	Additions	Transfers	Closing 31 December 2010
Factory plot*	-	132.900.874	-	132.900.874
Starcity Mall**	95.105.250	11.128.750	-	106.234.000
Investment flats***	9.977.000	-	(9.977.000)	-
Retail store	43.972	-	-	43.972
Sub total	105.126.222	144.029.624	(9.977.000)	239.178.846
Accumulated depreciation (-)	(30.511)	(995)	-	(31.506)
Net Book Value	105.095.711	144.028.629	(9.977.000)	239.147.340

Cost	Opening 1 January 2009	Additions	Transfers	Closing 31 December 2009
Factory plot	-	-	-	-
Starcity Mall	62.181.000	32.924.250	-	95.105.250
Investment flats	9.977.000	-	-	9.977.000
Retail store	43.972	-	-	43.972
Sub total	72.201.972	32.924.250	-	105.126.222
Accumulated depreciation (-)	(29.624)	(887)	-	(30.511)
Net Book Value	72.172.348	32.923.363	-	105.095.711

13. Investment Properties (continued)

The comparison of cost values of investment properties with their fair values as of 31 December 2010 is as follows:

Name	Date of Expertise Report	Fair Value (TL)	Cost (TL)
Factory plot	14 October 2010	132.900.874	159.480
Starcity Mall	22 November 2010	106.234.000	76.747

The comparison of cost values of investment properties with their fair values as of 31 December 2009 is as follows:

Name	Date of Expertise Report	Fair Value (TL)	Cost (TL)
Starcity Mall	14 January 2010	95.105.250	76.747
Investment flats	29 December 2008	9.977.000	3.690.000

* As stated in the special circumstance announcement communicated to the ISE on 14 June 2010, the Group has participated with a total of TL 49.960 representing 49.960 shares in Altınyıldız Gayrimenkul Yatırım ve Geliştirme Anonim Şirketi, a company with a share capital of TL 50.000 nominal value owned by Altınyıldız Mensucat ve Konfeksiyon Fabrikaları A.Ş., BBA Beymen Boğaziçi Alboy Mağazacılık Tekstil Sanayi ve Ticaret A.Ş., Boyner Bireysel Ürünler Satış ve Pazarlama A.Ş., Alsis Sigorta Acentalığı A.Ş. and Lom Renkli Giyim Ürünleri Pazarlama A.Ş. Pursuant to the Board decision of 27 September 2010, the Parent Company has sold the Altınyıldız factory plot of 71.838 m^2 stated as land under tangible assets and whose fair value is determined by the expertise report of 4 December 2008 as TL 78.953.508 to Altınyıldız Gayrimenkul Yatırım ve Geliştirme A.Ş. for a total of TL 111.348.900 corresponding to the provisional market value determined by the Municipality for the said plot of land. The sale is finalized at a total of TL 168.335.360 taking into consideration the anticipated changes in development plans. Altınyıldız Gayrimenkul Yatırım ve Geliştirme A.Ş. has entered into an agreement for revenue sharing in return for land sale with Fer Gayrimenkul Geliştirme ve İnşaat A.Ş. on 29 September 2010 for the purpose realizing a project comprising office, residence, and commercial units to be constructed on the land which has been sold. The said project is expected to be completed within three years. The Group has recognized the said plot of land at a fair value of TL 132.900.874 as stated in the real estate valuation report of 14 October 2010 prepared by a valuation company authorized by the Capital Markets Board.

13. Investment Properties (continued)

** In relation to the land stated among the tangible assets of the Group whose fair value is stated in the expertise report as TL 15.830.000, the Group has entered into an agreement in 2006 with İnanlar İnşaat A.Ş. which is the company that will undertake the construction of the mall against flat ownership and in accordance with the said agreement, the land is classified as investment property. As stated in the special circumstance announcement made to the ISE on 7 November 2007, İnanlar İnşaat A.Ş. has transferred its contract to Merkür İnşaat Ticaret A.Ş. which is the majority shareholder of Ülker Group. The current market value of the land classified by the Group as investment property is stated as TL 29.385.000 in the property valuation report dated 15 April 2008 prepared by a valuation company which is furnished with the certificate of authority by the Capital Markets Board. As stated in the Special Circumstance Announcement made to the ISE on 2 May 2008, the Group has acquired 49.996 shares of BYN Gayrimenkul Geliştirme Anonim Şirketi at TL 1 nominal value each which represents the portion of TL 49.996 of the said company's share capital with a total nominal value of TL 50.000 (former BYN Konfeksiyon Sanayi ve Ticaret Anonim Şirketi) owned by the Group companies, namely, Boyner Holding A.Ş., BBA Beymen Boğaziçi Alboy Mağazacılık Tekstil Sanayi ve Ticaret A.Ş., Boyner Bireysel Ürünler Satış ve Pazarlama A.Ş., Alsis Sigorta Acentalığı A.Ş. and LOM Renkli Giyim Ürünleri Pazarlama A.Ş. Pursuant to the Board resolution dated 2 May 2008, the Group has sold the plot of land classified as investment property with a total value of TL 29.385.000 to the company whose shares were taken over, namely, BYN Gayrimenkul Geliştirme A.Ş. The mall constructed on the land classified as investment property was opened in April 2010 by the name of Starcity Mall. The ownership of Starcity Mall is shared between BYN Gayrimenkul Geliştirme A.Ş. and Merkür İnşaat Ticaret A.Ş. at the rates of 2/5 and 3/5, respectively. Since April 2010, 2/5 of the rent income is included and consolidated in the financial statements of BYN Gayrimenkul A.Ş. The Group has recognized the said mall at a fair value of TL 106.234.000 corresponding to 2/5 of TL 265.585.000 which is the total consideration stated in the real estate valuation report dated 22 November 2010 prepared by a valuation company authorized by the Capital Markets Board.

*** As stated in Note 27, the Parent Company has taken over the ownership of sixty apartment flats against its overdue receivables in 2008. The said flats are classified as Non-Current Assets Held for Sale as the Parent Company management has already started disposing of the flats in 2010 and plans to do so for all at the soonest possible time.

14. Tangible Assets

Tangible assets consist of the following (TL) :

As of 31 December 2010;

Cost	Opening 1 January 2010	Additions	Disposals(-)	Transfers	Closing 31 December 2010
Land	79.020.000	-	-	(78.953.508)*	66.492
Land improvements	930.341	-	-	-	930.341
Buildings	38.174.675	-	-	-	38.174.675
Plant, machinery, and equipment	156.010.450	5.579.198	(4.609.947)	-	156.979.701
Furniture and fixtures	12.809.047	676.614	(8.952)	-	13.476.709
Motor vehicles	504.094	-	(36.949)	-	467.145
Investments in progress	-	569.468	-	-	569.468
Sub total	287.448.607	6.825.280	(4.655.848)	(78.953.508)	210.664.531

Accumulated depreciation	Opening 1 January 2010	Additions	Disposals(-)	Transfers	Closing 31 December 2010
Land improvements	898.969	7.912	-	-	906.881
Buildings	31.017.488	584.217	-	-	31.601.705
Plant, machinery, and equipment	127.103.774	6.751.025	(4.607.355)	-	129.247.444
Furniture and fixtures	11.326.115	542.886	(5.278)	-	11.863.723
Motor vehicles	504.098	-	(36.949)	-	467.149
Sub total	170.850.444	7.886.040	(4.649.582)	-	174.086.902
Net Book Value	116.598.163	(1.060.760)	(6.266)	(78.953.508)	36.577.629

* As stated in Note 13, the indicated total represents the sale of the factory plot in Bahçelievler, Istanbul, to one of the subsidiaries, namely, Altınyıldız Gayrimenkul Yatırım ve Geliştirme A.Ş. The Group has classified the said plot of land as investment property.

14. Tangible Assets (continued)

Tangible assets consist of the following (TL) (continued) :

As of 31 December 2009;

Cost	Opening 1 January 2009	Additions	Disposals(-)	Transfers	Closing 31 December 2009
Land	79.020.000	-	-	-	79.020.000
Land improvements	930.341	-	-	-	930.341
Buildings	38.174.675	-	-	-	38.174.675
Plant, machinery, and equipment	158.621.122	835.152	(3.551.369)	105.545	156.010.450
Furniture and fixtures	12.731.060	121.147	(43.160)	-	12.809.047
Motor vehicles	577.146	-	(73.052)	-	504.094
Investment in progress	138.949	55.856	-	(194.805)	-
Sub total	290.193.293	1.012.155	(3.667.581)	(89.260)	287.448.607

Accumulated depreciation	Opening 1 January 2009	Additions	Disposals(-)	Transfers	Closing 31 December 2009
Land improvements	891.057	7.912	-	-	898.969
Buildings	30.304.954	712.534	-	-	31.017.488
Plant, machinery, and equipment	123.715.444	6.929.082	(3.540.752)	-	127.103.774
Furniture and fixtures	10.822.731	536.021	(32.637)	-	11.326.115
Motor vehicles	577.150	-	(73.052)	-	504.098
Sub total	166.311.336	8.185.549	(3.646.441)	-	170.850.444
Net Book Value	123.881.957	(7.173.394)	(21.140)	(89.260)	116.598.163

As of 31 December 2010 and 2009, insurance totals on tangible assets amount to TL 166.756.026 and TL 191.187.897, respectively.

15. Intangible Assets

Intangible assets consist of the following (TL) :

As of 31 December 2010;

Cost	Opening 1 January 2010	Additions	Disposals(-)	Transfers	Closing 31 December 2010
Rights	5.497.856	17.722.940*	-	-	23.220.796
Leasehold improvements	27.234.609	5.855.096	(556.539)	-	32.533.166
Sub total	32.732.465	23.578.036	(556.539)	-	55.753.962

Accumulated amortisation	Opening 1 January 2010	Additions	Disposals(-)	Transfers	Closing 31 December 2010
Rights	4.856.191	78.603	-	-	4.934.794
Leasehold improvements	16.805.514	3.943.169	(109.595)	-	20.639.088
Sub total	21.661.705	4.021.772	(109.595)	-	25.573.882
Net Book Value	11.070.760	19.556.264	(446.944)	-	30.180.080

* The indicated amount represents the brand value of T-box acquired by Ay Marka Mağazacılık A.Ş. (a subsidiary) from Boyner Holding A.Ş. The said brand value is determined as TL 17.368.000 and the valuation is realized by experts appointed by Istanbul 11th Commercial Court of First Instance by file nr 201/321.

As of 31 December 2009;

Cost	Opening 1 January 2009	Additions	Disposals(-)	Transfers	Closing 31 December 2009
Rights	5.442.711	44.323	(78.438)	89.260	5.497.856
Leasehold improvements	25.914.863	2.689.902	(1.370.156)	-	27.234.609
Sub total	31.357.574	2.734.225	(1.448.594)	89.260	32.732.465

Accumulated amortisation	Opening 1 January 2009	Additions	Disposals(-)	Transfers	Closing 31 December 2009
Rights	4.805.717	50.474	-	-	4.856.191
Leasehold improvements	13.903.480	3.359.371	(457.337)	-	16.805.514
Sub total	18.709.197	3.409.845	(457.337)	-	21.661.705
Net Book Value	12.648.377	(675.620)	(991.257)	89.260	11.070.760

16. Provisions, Conditional Assets and Liabilities

As of 31 December 2010 and 2009, the provisions for short term liabilities consist of the following (TL) :

	31 December 2010	31 December 2009
Provision for returns and price	7.321.412	7.172.028
Provision for litigation	-	104.000
Total	7.321.412	7.276.028

Conditional assets and liabilities are as follows;

a) Guarantees given in each period are stated below(TL):

		31 December 2010		31 December 2009	
	Currency	Original Amount	TL Equivalent	Original Amount	TL Equivalent
Guarantee letters given	TL	-	99.845	-	-
Guarantee letters given	USD	116.534	180.162	68.076	102.502
Guarantee letters given	Euro	6.000	12.295	-	-
Guarantee letters given	TL	-	201.258.540*	-	933.291
Guarantee letters given	USD	5.745.471	8.882.498	1.023.432	1.540.982
Guarantee letters given	Euro	-	-	33.795	73.007
Sureties given **	USD	12.750.000	19.711.500	44.250.000	66.627.225
Sureties given ***	Euro	50.000.000	102.455.000	-	-
Mortgages given ****	TL	-	200.000.000	-	-
Mortgages given ****	Euro	40.000.000	81.964.000	40.000.000	86.412.000
Total			614.563.840		155.689.007

* The guarantee notes on investment properties amount to TL 200.000.000.

** The indicated totals are the sureties given by the Parent Company to Boyner Holding A.Ş. and Ay Marka Mağazacılık A.Ş. for the loans they have used.

*** The indicated total represents the surety given by the Parent Company to Altınyıldız Gayrimenkul Yatırım ve Geliştirme A.Ş.for the loan it has used.

**** The mortgages on investment properties amount to Euro 40.000.000 and TL 200.000.000.

16. Provisions, Conditional Assets and Liabilities (continued)

Guarantees, Sureties, and Mortgages given by the Group:

	31 December 2010				31 December 2009			
	Original amount				Original amount			
	TL	USD	Euro	TL Equivalent	TL	USD	Euro	TL Equivalent
A. Guarantees, sureties, and mortgages given by the Group in the name of its own corporate body	401.358.386	5.862.005	40.006.000	492.397.340	1.565.012	1.543.683	349.539	4.644.446
- Guarantees	201.358.386	5.862.005	6.000	210.433.340	1.565.012	1.543.683	349.539	4.644.446
- Sureties	None	None	None	None	None	None	None	None
- Mortgages	200.000.000	-	40.000.000	281.964.000	None	None	None	None
B. Total guarantees, sureties, and mortgages given behalf of the entities included in the scope of full consolidation	-	4.000.000	50.000.000	108.639.000	-	4.068.076	-	6.125.302
- Guarantees	-	4.000.000	50.000.000	108.639.000	-	4.068.076	-	6.125.302
- Sureties	None	None	None	None	None	None	None	None
- Mortgages	None	None	None	None	None	None	None	None
C. Total guarantees, sureties, and mortgages given as collateral for other third parties' debts for the purpose of continuing ordinary commercial operations	None	None	None	None	None	None	None	None
D. Total other guarantees, sureties, and mortgages given	-	8.750.000	-	13.527.500	-	44.250.000	-	66.627.225
i. Total guarantees, sureties, and mortgages given on behalf of the Parent Company	-	8.750.000	-	13.527.500	-	44.250.000	-	66.627.225
ii. Total guarantees, sureties, and mortgages given on behalf of other group companies which are not included in the scope of items B and C	None	None	None	None	None	None	None	None
iii. Total guarantees, sureties, and mortgages given on behalf of third parties which are not included in the scope of item C	None	None	None	None	None	None	None	None
Total	401.358.386	18.612.005	90.006.000	614.563.840	1.565.012	49.861.759	349.539	77.396.973

As of 31 December 2010, the ratio of guarantees, sureties, and mortgages given by the Parent Company to its equity is 4% (31 December 2009 – 29%).

16. Provisions, Conditional Assets and Liabilities (continued)

b) Guarantees received for trade receivables in each period are as follows (TL) :

	31 December 2010	31 December 2009
Guarantee letters received	4.641.030	1.300.570
Guarantee cheques received	5.039.974	4.693.805
Guarantee notes received	32.249.292	14.551.303
Mortgages received	17.648.000	15.348.000
Sureties and bill guarantees received	5.841.370	5.715.520
	65.419.666	41.609.198

Guarantess received consist of the following (TL):

		31 December 2010		31 December 2009	
	Currency	Original Amount	TL Equivalent	Original Amount	TL Equivalent
Guarantee letters received	TL	-	1.800.000	-	1.150.000
Guarantee letters received	USD	1.200.000	1.855.200	100.000	150.570
Guarantee letters received	Euro	481.104	985.830	-	-
Mortgages received	TL	-	17.648.000	-	15.348.000
Sureties and bill guarantees received	TL	-	300.000	-	300.000
Sureties and bill guarantees received	USD	3.434.580	5.309.861	3.434.580	5.171.447
Sureties and bill guarantees received	Euro	112.981	231.509	112.981	244.073
Guarantee cheques received	TL	-	4.995.140	-	4.650.140
Guarantee cheques received	USD	29.000	44.834	29.000	43.665
Guarantee cheques received	Euro	-	-	-	-
Guarantee notes received	TL	-	30.957.727	-	13.362.293
Guarantee notes received	USD	702.000	1.085.292	650.000	978.705
Guarantee notes received	Euro	100.665	206.273	97.350	210.305
Total			65.419.666		41.609.198

17. Commitments

Payment commitments related to operational and financial leasings are as follows:

Vehicle leasing commitments:

	31 December 2010	31 December 2009
In 1 year	752.312	653.349
1 – 5 years	983.758	339.205
Total	1.736.070	992.554

Store leasing commitments

	31 December 2010	31 December 2009
In 1 year	24.990.540	15.439.534
1 – 5 years	85.260.904	31.325.170
5- 10 years	5.956.540	4.220.553
Total	116.207.984	50.985.257

Leasing commitments:

	31 December 2010	31 December 2009
In 1 year	2.282.062	5.200.792
1 – 5 years	1.201.954	2.493.612
Total	3.484.016	7.694.404

Export Commitments :

The export commitments of the Group as of 31 December 2010 amounts to USD 758.453 (31 December 2009 – USD 790.572).

18. Employee Benefits

Liabilities related to employee benefits consist of provisions for termination indemnity stated in the following (TL) :

	31 December 2010	31 December 2009
Opening balance	8.373.868	7.086.865
Increase during the year	2.732.364	1.988.487
Payments made at contract terminations (-)	(3.460.761)	(1.467.697)
Actuarial losses/earnings	2.048.232	766.213
Closing balance	9.693.703	8.373.868

19. Other Assets and Liabilities

Other current assets consist of the following (TL) :

	31 December 2010	31 December 2009
Order advances given	12.325.934	6.718.920
Prepaid taxes and funds and other taxes	13.557.836	6.030.572
Expenses related to future months	1.322.053	313.042
Other	417.843	526.513
Total	27.623.666	13.589.047

Other long term assets consist of the following (TL) :

	31 December 2010	31 December 2009
Order advances given	76.633	-
Expenses related to future years	1.319.014	1.153.717
Total	1.395.647	1.153.717

Other short term liabilities consist of the following (TL) :

	31 December 2010	31 December 2009
Order advances received	12.082.357	18.459.437
Income related to future months	1.088.411	847.152
Expense provision	206.040	175.480
Other	27.541	24.701
Total	13.404.349	19.506.770

Other long term liabilities consist of the following (TL) :

	31 December 2010	31 December 2009
Income related to future years	255.428	738.048
Deposits and guarantees received	21.800	-
Total	277.228	738.048

20. Equity

As of 31 December 2010 and 2009, the share capital of the Parent Company consists of the following (TL):

	31 December 2010		31 December 2009	
	Shareholding	Nominal Value (TL)	Shareholding	Nominal Value (TL)
Boyner Holding A.Ş.	79,08%	31.630.948	79,08%	31.630.948
Other shareholders *	0,12%	49.052	0,12%	49.052
Public offering	20,80%	8.320.000	20,80%%	8.320.000
Paid-in Capital	100,00%	40.000.000	100,00%	40.000.000
Capital restatement differences		56.061.369		56.061.369
Total restated capital		96.061.369		96.061.369

* Represents shareholdings of less than 10%.

The registered share capital of the Parent Company as of 31 December 2010 and 2009 amounts to TL 40.000.000.

As of 31 December 2010 and 2009, the Parent Company's share capital consists of 4.000.000.000 issues shares of Kr 1 nominal value each.

Capital Restatement Differences

As a result of the inflation adjustment made on 31 December 2004, the equity items are recognized at their recorded values in the statement of financial position. The adjustment differences related to these account items are stated as a whole in the financial statements under the inflation adjustment differences account, and as of 31 December 2005, the total has reached up to TL 57.212.651 after deduction of accumulated losses the details of which are stated in Note 28. A capital increase is made at a total of TL 1.151.282 from this account as of 31 December 2006, and the balance subsequent to the said increase is TL 56.061.369.

Revaluation Funds

As stated in Note 13, the factory plot of the Parent Company was formerly stated at cost in the prior years' financials, and subsequently, it has been stated at fair value as required by the real estate valuation report. The fair value difference formed due to this change is recognized in the Revaluation Funds Account under the Equity account group. After the said plot has started to be regarded as an investment property and removed from the fixed assets account group and classified in the Investment Properties account at its fair value of TL 132.900.874 as stated in the real estate valuation report of 14 October 2010, the total of TL 74.881.785 which then stood in the financial statements has continued to be recognized in the Revaluation Funds account group.

20. Equity (continued)

Revaluation Funds (continued)

In relation to the sale of land classified as investment property in the prior periods to BYN (a group company) as of 31 December 2008, the Parent Company has benefitted from tax exemption for a portion equivalent to 75% of the sales revenue as per the application stated below under the heading "Special Fund Related to Exemption for Sale Revenue on Participation Shares and Real Estate". The entire amount of the profit in the legal records of the Parent Company stated as TL 29.203.874 is associated with profit and loss for the period in the statutory books. A total of TL 21.902.906 which is equivalent to 75% of the said total is transferred to the special funds account in the legal records until the end of the period allowed for making corporation tax return in 2009.

As of 31 December 2010 and 2009, changes in the Revaluation Fund are set out in the table below (TL) :

	31 December 2010	31 December 2009
Related to the land on which the plant is located	78.824.810	78.824.810
Related to the land classified as investment property	15.722.470	15.722.470
Total revaluation fund	94.547.280	94.547.280
Classification of the special fund arising from sale of investment property to restricted profit reserves	(15.722.470)	(15.722.470)
Deferred tax effect	(3.943.025)	(3.943.025)
End of the period	74.881.785	74.881.785

Restricted Profit Reserves

Restricted profit reserves consist of legal reserves, gain on sale of participation stocks, and income from sale of investment properties as stated in the following (TL):

	31 December 2010	31 December 2009
Legal reserves	1.006.224	1.006.224
Special fund arising from participation share sales revenue exemption	1.080.833	1.080.833
Special fund arising from sale of investment property	21.902.906	21.902.906
Total	23.989.963	23.989.963

20. Equity (continued)

Legal Reserves

As per the Turkish Commercial Code, legal reserves are divided as First Legal Reserves and Second Legal Reserves. First Legal Reserves are appropriated out of net profit for the period at the rate of 5% until the reserve is equal to 20% of the Company's share capital. Second Legal Reserves are appropriated at a rate of 10% of all dividend distributions that exceed 5% of the Company's share capital. First and second reserves cannot be distributed until they exceed 50% of the total share capital; however, in the event that the optional reserves are fully consumed, they may be used to cover losses.

Special Fund Related to Exemption for Sale Revenue on Participation Shares and Real Estate

Companies are exempt from 75% of the earnings arising from the sale of participation shares, real estates, pre-emotive rights, founder's shares, and redeemed shares which are stated among their assets for a minimum of 2 full years. In order to be able to benefit from the exemption, the said earnings should be retained in a funds account in the liability section and no to be withdrawn from the entity for a period of 5 years. The sales worth should be collected until the end of the second calendar year following the year that the sale is realized. In the application of exemption, it is of importance that the earnings to be transferred to the funds account are recognized in the statement of income while the date the transfer is realized to the funds account is also a key factor. In relation to the subject matter, certain amendments are made in the General Communiqué Nr 3 and Section 5.6.2.3.2 of the Communiqué Nr 1. As per the provisions of the Communiqué, the entire amount of the earnings (including the 75% exemption) will be transferred to the resulting accounts and the amount subject to exemption will be written in the related section on the tax return form to have the exemption applied. On the other hand, the total amount subject to exemption is transferred from the profit for the period to the "Special Funds" account latest until the due date of the corporation tax return of the year the company makes the earnings.

Retained Earnings/(Accumulated Losses)

The accumulated losses arising from the first time application of inflation accounting as of 31 December 2003 amount to TL 78.189.385 and the said total is stated at the purchasing power at 31 December 2004. As per the CMB resolution dated 30 December 2003 Nr 1630, the accumulated losses are deducted from the related reserves and the equity inflation adjustment differences.

The net profit for the period of TL 1.072.323 formed in the Parent Company's financial statements as of 31 December 2006 within the frame of the principles stated in the "Announcement on the Formats of Financial Statements and Related Notes to be Prepared in accordance with the Communiqué related to Principles of Financial Reporting in Capital Markets Nr XI/29" declared by the CMB resolution dated 17 April 2008 Nr 11/467 are recognized in the accompanying financial statements as of 31 December 2010 after being offset with the retained earnings. As per the same principles, excluding the net profit for the period, the retained earnings and the extraordinary reserves that are by nature in the form of retained earnings are stated in the retained earnings / accumulated losses account.

21. Sales and Cost of Sales

Sales revenues consist of the following (TL) :

	31 December 2010	31 December 2009
Local sales	413.251.825	292.198.665
Exports	42.991.248	33.352.938
Other sales	-	-
Sales returns (-)	(47.174.767)	(27.064.361)
Sales deductions (-)	(668.516)	(1.974.135)
Other deductions (-)	(33.603.570)	(18.570.976)
Sales revenues, net	374.796.220	277.942.131

Cost of sales consists of the following (TL):

	31 December 2010	31 December 2009
A. Direct raw materials and supplies	96.005.386	66.086.438
B. Direct labour expenses	57.782.730	38.626.342
C. Overhead	39.355.797	32.019.434
D. Semi-finished goods utilization	(13.410.057)	5.561.964
1. Beginning inventory (+)	12.623.868	18.185.832
2. Ending inventory (-)	(26.033.925)	(12.623.868)
Cost of finished goods produced	179.733.856	142.294.178
E. Change in finished goods inventory	(7.125.408)	5.284.873
1. Beginning inventory (+)	33.096.960	38.381.833
2. Ending inventory (-) (*)	(40.222.368)	(33.096.960)
I. Cost of finished goods sold	172.608.448	147.579.051
		6.381.397
A. Beginning inventory of trade goods (+)	8.781.240	
B. Acquisitions during the period (+)	79.174.718	28.154.814
C. Ending inventory of trade goods (-)	(28.963.709)	(8.781.240)
II. Cost of Trade Goods Sold	58.992.249	25.754.971
Cost of Sales (I+II)	231.600.697	173.334.022

(*) The indicated total differs by the amount of provision for impairment made at the period ends related to the finished goods inventory, the details of which are presented in Note 12.

21. Sales and Cost of Sales (continued)

Overhead consists of the following (TL) :

	31 December 2010	31 December 2009
Indirect material expenses	12.001.798	8.006.670
Depreciation and amortisation expenses	7.418.212	7.712.368
Energy expenses	10.713.033	9.085.062
Indirect labor expenses	3.000.862	2.369.518
Service expenses	3.197.273	2.340.225
Maintenance and repair expenses	1.489.745	1.216.054
Outsourced benefits and services	1.534.874	1.289.537
Total	39.355.797	32.019.434

22. Research and Development Expenses, Marketing, Sales and Distribution Expenses, General Administration Expenses

Research and development expenses; marketing, sales and distribution expenses; and general administration expenses consist of the following (TL) :

	31 December 2010	31 December 2009
Marketing, sales, and distribution expenses	88.350.373	64.890.005
General administration expenses	32.624.472	21.583.166
Research and development expenses	293.368	277.339
Total	121.268.213	86.750.510

Research and Development Expenses ;

	31 December 2010	31 December 2009
Wages and salaries	161.296	101.475
Material utilization expenses	85.619	80.995
Outsourced benefits and services	29.051	60.081
Service labour expenses	13.168	34.681
Depreciation and amortisation expenses	1.869	107
Travel expenses	1.772	-
Insurance expenses	467	-
Other	126	-
Total	293.368	277.339

22. Research and Development Expenses, Marketing, Sales and Distribution Expenses, General Administration Expenses (continued)

Research and development expenses; marketing, sales and distribution expenses; and general administration expenses consist of the following (TL) (continued):

Marketing, sales, and distribution expenses;

	31 December 2010	31 December 2009
Wages and salaries	30.816.990	21.192.497
Brand store and exportation expenses	18.473.507	14.086.667
Rent expenses	17.351.694	14.791.424
Outsourced benefits and services	8.732.778	6.449.689
Depreciation and amortisation expenses	3.964.273	3.379.380
Material utilization expenses	2.719.889	2.054.710
Travel expenses	1.147.772	851.453
Service labour expenses	490.206	-
Taxes, duties, and fees	220.975	-
Insurance expenses	143.793	-
Representation and hospitality expenses	851.579	430.673
Patent and licensing expenses	1.736.035	109.067
Other	1.700.882	1.544.445
Total	88.350.373	64.890.005

General Administration Expenses ;

	31 December 2010	31 December 2009
Wages and salaries	11.581.261	7.513.289
Taxes, duties, and fees	5.248.510	668.392
Holding service share	4.228.373	3.689.567
Outsourced benefits and services	2.860.987	1.791.481
Depreciation and amortisation expenses	523.458	503.983
Rent expenses	1.654.648	1.574.843
Brand store and exportation expenses	1.079.068	-
Service labour expenses	1.028.900	-
Travel expenses	470.728	386.660
Starcity service share	409.400	-
Insurance expense	310.785	321.273
Material utilization expenses	166.203	-
Provision for doubtful receivables	1.109.465	3.008.961
Other	1.952.686	2.124.717
Total	32.624.472	21.583.166

23. Operating Expenses by Nature

Distribution of operating expenses by nature is stated in the following (TL) :

	31 December 2010	31 December 2009
Personnel expenses	42.559.546	28.807.261
Brand store and exportation expenses	19.552.575	14.086.667
Rent expenses	19.006.342	16.366.267
Outsourced benefit and service expenses	11.622.816	8.301.251
Taxes, duties, and fees	5.469.485	668.392
Depreciation and amortisation expenses	4.489.600	3.883.470
Holding service share expenses	4.228.373	3.689.567
Material consumption expenses	2.971.711	2.135.705
Patent, license expenses	1.736.035	109.067
Travel expenses	1.620.272	1.238.113
Service and labor expenses	1.532.275	34.681
Provision for doubtful receivables	1.109.465	3.008.961
Representation and hospitality expenses	851.579	430.673
Insurance expenses	455.045	321.273
Starcity service share	409.400	-
Other	3.653.694	3.669.162
Total	121.268.213	86.750.510

24. Other Operating Income/(Expense)

Other operating income consists of the following (TL):

	31 December 2010	31 December 2009
Income on valuation of investment properties	63.937.446	32.924.250
Rent income	5.928.119	4.662.303
Commission income	466.207	474.390
Income on electricity sales	264.438	322.531
Insurance income	191.596	157.171
Advertisement income	142.957	128.554
Exposition support earnings	341.294	103.216
Profit on sale of fixed assets	675.969	86.250
Provisions no longer required	71.978	-
Other	312.487	1.046.254
Total	72.332.491	39.904.919

24. Other Operating Income/(Expenses) (continued)

Other operating expenses consist of the following (TL) :

	31 December 2010	31 December 2009
Rent expenses	4.553.503	3.641.989
Loss on sale of fixed assets	148.666	267.014
Loss on sale of real estate	1.017.000	-
Other	24.942	219.636
Total	5.744.111	4.128.639

25. Financial Income

Financial income consists of the following (TL) :

	31 December 2010	31 December 2009
Foreign exchange gains	31.423.749	11.859.091
Interest income	23.883.742	11.470.034
Rediscount and forward sales interest income	7.064.723	6.847.347
Increase in fair value of financial assets	20.559.515	6.528.022
Total	82.931.729	36.704.494

26. Financial Expenses

Financial expenses consist of the following (TL) :

	31 December 2010	31 December 2009
Loan interest expenses	32.676.757	27.035.323
Foreign exchange losses	33.802.432	12.569.830
Factoring expenses	13.120.227	7.922.672
Credit card commissions	5.094.014	3.649.748
Rediscount and forward purchase interest expenses	2.680.169	2.505.355
Other	221.017	1.695.168
Total	87.594.616	55.378.096

27. Non-Current Assets Held for Sale

The Parent Company has taken over the ownership of sixty flats against its overdue receivables in 2008. As the said flats cannot be used in the Parent Company operations, they are stated as investment properties in the consolidated financial statements as of 31 December 2009 until decision is made for their purpose of utilization according to the future market conditions. As of 30 June 2010, the said flats are classified as Non-Current Assets Held for Sale as the Parent Company management has already started disposal of the flats and plans to do so for all of them at the soonest possible time.

28. Tax Assets and Liabilities

a) Corporation Tax ;

The Turkish corporation tax rate for 2010 is 20% (31 December 2009 – 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 (TL) :

	31 December 2010	31 December 2009
Corporation tax calculated	12.924.512	1.257.762
Prepaid taxes (-)	(9.268.152)	-
	3.656.360	1.257.762

Tax income and expenses stated in the statement of comprehensive income are stated below (TL):

	31 December 2010	31 December 2009
Current period corporation tax expense	(12.924.512)	(1.257.762)
Deferred tax income/(expense)	6.768.643	(392.583)
Total tax income/(expense)	(6.155.869)	(1.650.345)

Provision for corporation tax stated in the statement of comprehensive income is stated below (TL) :

	31 December 2010	31 December 2009
Profit/(loss) as per statutory books	186.660.156	14.604.523
Disallowable expenses	5.070.218	4.400.326
Tax-exempt income (-)	(127.107.816)	(12.716.036)
Sub total	64.622.558	6.288.812
Tax rate (%)	20	20
Tax provision	12.924.512	1.257.762

28. Tax Assets and Liabilities (continued)

b) Deferred Tax Assets and Liabilities ;

Temporary differences creating a basis for deferred tax calculations and deferred tax assets/liabilities and deferred tax income/expenses are as follows (TL):

Tax bases of deferred tax assets/(liabilities)	31 December 2010	31 December 2009
Non-current assets	(14.137.854)	(13.409.065)
Real estate valuation differences associated with equity	(19.715.130)	(19.715.130)
Provision for termination indemnity	9.693.703	8.373.868
Real estate valuation difference associated with the income statement	16.364.747	(15.141.308)
Rediscount on receivables and payables	835.184	1.565.102
Provision for sales returns and price differences	7.321.412	7.128.242
Provision for doubtful receivables	5.508.527	4.948.956
Inventories	4.563.567	336.297
Fair value difference in financial assets	(5.037.014)	102.870
Loan discount	(494.801)	-
Rediscount on financial receivables	494.801	-
Other	1.828.459	(807.452)
Tax base of deferred tax assets/(liability), net	7.225.601	(26.617.620)

Deferred tax assets/(liabilities)	31 December 2010	31 December 2009
Non-current assets	(2.827.571)	(2.681.813)
Real estate valuation differences associated with equity	(3.943.026)	(3.943.026)
Provision for termination indemnity	1.938.741	1.674.774
Real estate valuation difference associated with the income statement	3.272.949	(3.028.262)
Rediscount on receivables and payables	167.037	313.020
Provision for sales returns and price differences	1.464.282	1.425.648
Provision for doubtful receivables	1.101.705	989.791
Inventories	912.713	67.259
Fair value difference in financial assets	(1.007.403)	20.574
Loan discount	(98.960)	-
Rediscount on financial receivables	98.960	-
Other	365.692	(161.490)
Deferred tax assets/(liabilities), net	1.445.119	(5.323.524)

28. Tax Assets and Liabilities (continued)

Deferred tax income/(expense) (TL) :

	31 December 2010	31 December 2009
Current period deferred tax asset/(liability)	1.445.119	(5.323.524)
Reversal of prior period deferred tax (liability)/asset	5.323.524	4.930.941
Deferred tax income/(expense)	6.768.643	(392.583)

Deferred tax assets and liabilities are set off due to fulfillment of conditions such that there is an applicable right for offsetting current tax assets and liabilities, and furthermore, it is intended to fulfill 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.

29. Earnings/(Loss) Per Share

Earnings per share is calculated by dividing the net profit for the period amounting to TL 77.696.934 by the weighted average number of Parent Company shares during the period. The calculation is made as follows:

	31 December 2010	31 December 2009
Profit/(loss) for the current period	77.696.934	33.309.932
Weighted average number of shares	4.000.000.000	4.000.000.000
Earnings per share of the Parent Company (TL)	1,94	0,83

30. Related Party Disclosures

a) Balances due from related parties consist of the following (TL) :

	31 December 2010		31 December 2009	
	Trade	Other	Trade	Other
Boyner Holding A.Ş.	373.466	207.663.931*	429.667	92.138.169
BBA Beymen Boğaziçi Alboy Mağazacılık Ticaret A.Ş.	-	9.039.426**	35.204	19.429.298
Boyner Bireysel Ürünler Satış ve Pazarlama A.Ş.	-	-	1.609	-
H.F. Boyner Biraderler Eksport A.Ş.	408	-	-	-
Beymen Mağazacılık A.Ş.	2.846	-	115.442	2.457.450
Benetton Giyim San. Ticaret A.Ş.	342.633	-	439.445	-
Boyner Büyük Mağazacılık A.Ş.	5.776.977	-	1.294.582	-
Altın Petrol Ürünleri San. Ve Tic. A.Ş.	61.814	-	22.629	-
Total	6.558.144	216.703.357	2.338.578	114.024.917

b) Balances due to related parties consist of the following (TL) :

	31 December 2010		31 December 2009	
	Trade	Other	Trade	Other
Boyner Holding A.Ş.	-	165.522	300.518	-
BBA Beymen Boğaziçi Alboy Mağazacılık Ticaret A.Ş.	621.188	-	347.526	120.000
Beymen Mağazacılık A.Ş.	105.074	96.852	67.894	-
Boyner Büyük Mağazacılık A.Ş.	-	-	-	-
Altın Petrol Ürünleri San. Ve Tic. A.Ş.	13.982	65.988.564***	41.785	33.527.197
Bofis Turizm ve Ticaret A.Ş.	51.233	-	14.667	-
Merkür İnşaat Turizm Müh. Dan. ve Tic. Ltd. Şti.	353.715	-	-	-
Alsis Sigorta Acentalığı A.Ş.	482.118	-	38.378	-
Benetton Giyim San. Ticaret A.Ş.	1.052		-	-
Dividends payable	-	164	-	164
Other	-	179	-	179
Total	1.628.362	66.251.281	810.768	33.647.540

* The indicated amount represents the total placement granted to Boyner Holding A.Ş. All costs incurred by Altınyıldız A.Ş. in relation to the loans and factorings used are included within this total together with the related commissions. The interests and commissions are accrued to Boyner Holding A.Ş. on monthly basis.

** The indicated total comprises the notes receivable obtained against the cheques given to BBA Beymen Mağazacılık A.Ş. for financing purposes.

*** The indicated total comprises the notes payable given against the notes received from Altın Petrol Ürünleri San. ve Tic. A.Ş for financial purposes.

30. Related Party Disclosures (continued)

c) Transactions with related parties are summarized below (TL) :

Income	31 December 2010	31 December 2009
Sale of goods	22.700.601	11.887.863
Service sales	997.666	828.898
Other sales	1.382.627	1.557.098
Foreign exchange gains	13.353.124	-
Interest income	23.842.952	12.310.048
Total	62.276.970	26.583.907

Expenses	31 December 2010	31 December 2009
Procurement of goods	15.743.606	1.680.136
Service acquisitions	4.902.563	1.773.306
Holding consultancy share	2.303.944	3.685.008
Other acquisitions	22.146.247	864.666
Foreign exchange losses	13.353.124	-
Interest expenses	3.580.986	827.467
Total	62.030.470	8.830.583

d) Sales made to and purchases made from related parties for the years ended 31 December 2010 and 2009 are elaborated on company basis in the table below (TL) :

Purchases	31 December 2010			31 December 2009		
	Goods	Services	Interest/Other	Goods	Services	Interest/Other
Boyner Holding A.Ş.	-	4.620.773	27.238.308	-	3.685.008	858.985
Boyner Büyük Mağazacılık A.Ş.	185.208	117.297	1.402.595	900	-	796.720
Altın Petrol Ürünleri San. Ve Tic. A.Ş.	-	9.331	31.689	-	10.536	17.168
BBA Beymen Boğaziçi Alboy Mağazacılık Ticaret A.Ş.	14.923.618	178.343	10.331.623	866.307	-	17.346
Bofis Turizm ve Ticaret A.Ş.	-	541.577	-	-	412.433	-
Alsis Sigorta Acentalığı A.Ş.	-	1.735.459	-	-	1.350.337	-
Benetton Giyim San.Tic. A.Ş.	43.617	-	76.142	5.171	-	-
Beymen Mağazacılık A.Ş.	591.163	3.727	-	807.759	-	1.913
Total	15.743.606	7.206.507	39.080.357	1.680.137	5.458.314	1.692.132

30. Related Party Disclosures (continued)

d) Sales made to and purchases made from related parties for the years ended 31 December 2010 and 2009 are elaborated on company basis in the table below (TL) (continued):

Sales	31 December 2010			31 December 2009		
	Goods	Services	Interest/Other	Goods	Services	Interest/Other
Boyner Holding A.Ş.	-	997.666	30.729.186	-	-	13.695.205
BBA Beymen Boğaziçi Alboy Mağazacılık Ticaret A.Ş.	254.969	-	7.776.060	25.658	12.026	3.781
Beymen Mağazacılık A.Ş.	3.089.875	-	-	2.179.384	816.872	76.476
Boyner Büyük Mağazacılık A.Ş.	18.250.878	-	-	8.838.817	-	3.165
Altın Petrol Ürünleri San. Ve Tic. A.Ş.	-	-	20.267	556	-	26.025
Benetton Giyim San.Tic. A.Ş.	1.103.600	-	-	841.958	-	-
Boyner Bireysel Ürünler Sat. ve Paz. A.Ş.	897	-	-	1.490	-	-
H.F. Boyner Biraderler Eksport A.Ş.	382	-	-	-	-	-
Alsis Sigorta Acentalığı A.Ş.	-	-	53.190	-	-	62.494
Total	22.700.601	997.666	38.578.703	11.887.863	828.898	13.867.146

e) The top management team comprises of board members, general manager and deputy general managers. As of 31 December 2010, the remuneration provided to top management amounts to TL 4.905.617 (31 December 2009 – TL 2.179.809).

f) As of 31 December 2010 and 2009, the Parent Company has appeared as co-debtor of the muarabaha syndicated loans granted to Boyner Holding A.Ş. As of 31 December 2010, the said loans amount to a total of USD 8.750.000 (31 December 2009 – USD 44.250.000).

31. Nature and Extent of Exposure to Risks Arising from Financial Instruments

The Group's management policies and implementations related to risks arising from financial instruments are stated in the following:

i. Funding Risk

The funding risk on the present and potential liabilities is monitored through providing sufficient amount of funding commitments from loan providers with high funding potential.

ii. Credit Risk

Credit risk is the risk of loss arising from one of the parties to a transaction that does not fulfill his liabilities in relation to a financial instrument. The Group tries to monitor its credit risk through limiting the transactions made with certain parties and by continuous evaluation of the credibility of its related parties.

31. Nature and Extent of Exposure to Risks Arising from Financial Instruments (continued)

ii. Credit Risk (continued)

Majority of the trade receivables are due from dealers and related companies. The Group has established an effective control system over the dealers and the credit risk arising from these transactions are followed up by the management. The Group has a high number of customers; hence its credit risk is dispersed. In managing the risk arising from non-related parties, the Group receives bank guarantees, credit insurance, mortgages on real estate and guarantee cheques and notes based on a principle to secure its receivables to the highest extent possible.

The collection of payments against exports is secured by Letter of Credit, guarantee letters, or advance payment methods.

As of 31 December 2010 and 2009, the credit risks incurred by the Group by type of financial instruments are set out in the table below:

	31 December 2010				
	Trade Receivables		Other Receivables		
	Related Party	Other Party	Related Party	Other Party	Bank Deposits
Maximum credit risk incurred as of the reporting date (1)	6.558.144	169.996.659	216.703.357	584.972	8.147.459
- Part of maximum risk covered by collaterals (Note 16)	-	65.419.666	-	-	-
A. Net book value of financial assets that are neither overdue nor impaired (2)	6.558.144	139.475.917	216.703.357	584.972	8.147.459
B. Book value of financial assets whose conditions are revised, which otherwise would be considered as overdue or impaired	-	21.398.502	-	-	-
- Portion covered by collaterals(3)	-	38.893.000	-	-	-
C. Net book value of overdue assets that are not impaired	-	9.122.240	-	-	-
- Portion covered by collaterals(4)	-	2.422.373	-	-	-
D. Net book value of impaired assets	-	-	-	-	-
- Overdue (gross book value)	-	6.125.310	-	-	-
- Impairment loss (-)	-	(6.125.310)	-	-	-
- Portion covered by collaterals	-	-	-	-	-

(1) The indicated totals represent the maximum credit risks incurred as of the reporting date without taking into consideration the guarantees held or other elements that improve creditability.

(2) The indicated totals comprise customers with which no collection problems have been encountered or those which have succeeded to realize payment even if delayed.

(3) The Group has obtained mortgages of TL 7.008.000, security pledges of TL 2.085.000, and personal and corporate sureties of TL 29.800.000 against its receivables whose conditions are revised, which otherwise would be considered overdue or impaired.

(4) The Group has obtained guarantee notes of TL 1.127.315, guarantee cheques of TL 100.000, and guarantee notes of TL 1.195.058 against its overdue receivables which are not impaired.

31. Nature and Extent of Exposure to Risks Arising from Financial Instruments (continued)

ii. Credit Risk (continued)

	31 December 2009				
	Trade Receivables		Other Receivables		
	Related Party	Other Party	Related Party	Other Party	Bank Deposits
Maximum credit risk incurred as of the reporting date (1)	2.338.578	147.255.396	114.024.917	329.001	23.493.335
- Part of maximum risk covered by collaterals (Note 16)	-	41.609.198	-	-	-
A. Net book value of financial assets that are neither overdue nor impaired (2)	2.338.578	133.123.428	114.024.917	329.001	23.493.335
B. Book value of financial assets whose conditions are revised, which otherwise would be considered as overdue or impaired	-	-	-	-	-
- Portion covered by collaterals	-	-	-	-	-
C. Net book value of overdue assets that are not impaired	-	14.131.968	-	-	-
- Portion covered by collaterals (3)	-	14.131.968	-	-	-
D. Net book value of impaired assets	-	-	-	-	-
- Overdue (gross book value)	-	5.076.016	-	-	-
- Impairment losses(-)	-	(5.076.016)	-	-	-
- Portion covered with collaterals	-	-	-	-	-

(1) The indicated totals represent the maximum credit risks incurred as of the reporting date without taking into consideration the guarantees held or other elements that improve creditability.

(2) The indicated totals comprise customers with which no collection problems have been encountered or those which have succeeded to realize payment even if delayed.

(3) The Group has obtained mortgages of TL 5.516.291, security pledges of TL 2.085.000, and personal and corporate sureties of TL 12.500.000 against its overdue receivables which are not impaired.

31. Nature and Extent of Exposure to Risks Arising from Financial Instruments (continued)

ii. Credit Risk (continued)

The aging chart of the Group's overdue assets which are not impaired is as follows (TL):

Trade Receivables	31 December 2010	31 December 2009
1 – 30 days past due	3.580.971	-
1 – 3 months past due	312.769	-
3 – 12 months past due	336.749	-
More than 12 months past due	4.891.751	14.131.968
Total	9.122.240	14.131.968
Portion covered by collaterals	2.422.373	14.131.968

iii. Liquidity Risk

The Group is eligible to use banks as well as its suppliers and shareholders as funding resources. The Group's liquidity risk is continuously evaluated through determining and monitoring changes in funding conditions required for achieving the targets set within the scope of the Group's strategy.

The Group manages liquidity risk by monitoring expected and actual cash flows on regular basis and by maintaining continuity of funds and borrowing reserves through matching the maturities of financial assets and liabilities.

As of 31 December 2010 and 2009, the Group's liquid assets (current assets – inventories) exceed its short term liabilities by TL 51.878.195 and TL (18.481.146), respectively.

The Group works on extending the borrowing terms in the coming periods.

31. Nature and Extent of Exposure to Risks Arising from Financial Instruments (continued)

iii. Liquidity Risk (continued)

The liquidity risks arising from the Group's financial liabilities as of 31 December 2010 and 2009 are stated in the table below:

31 December 2010

Maturities per Contract	Book Value	Total Cash Outflows per Contract	Less than 3 months (I)	3-12 months (II)	1-5 Years (III)	5 - 10 years (IV)
Non-Derivative Financial Liabilities						
Bank Loans	324.544.462	358.948.102	95.731.946	42.360.034	213.290.518	7.565.604
Lease Obligations	3.484.013	3.774.651	1.084.380	1.388.290	1.301.981	-
Other Financial Liabilities	67.463.901	67.463.901	28.784.883	38.679.018	-	-
Trade Payables to Related Parties	1.628.362	1.643.889	1.278.623	365.266	-	-
Other Trade Payables	77.042.017	77.562.500	13.936.553	63.625.947	-	-
Other Payables to Related Parties	66.251.281	67.465.626	165.520	67.300.106	-	-
Other Payables	9.439.538	9.439.538	9.439.538	-	-	-
Total	549.853.574	586.298.207	150.421.443	213.718.661	214.592.499	7.565.604

31 December 2009

Maturities per Contract	Book Value	Total Cash Outflows per Contract	Less than 3 months (I)	3-12 months (II)	1-5 Years (III)	5 - 10 years (IV)
Non-Derivative Financial Liabilities						
Bank Loans	183.549.757	201.693.936	114.357.796	29.732.922	39.122.297	18.480.921
Lease Obligations	7.694.404	8.337.052	1.667.852	4.026.013	2.643.187	-
Other Financial Liabilities	71.036.737	71.036.737	50.140.912	20.739.825	156.000	-
Trade Payables to Related Parties	810.768	810.768	810.768	-	-	-
Other Trade Payables	40.544.159	40.544.159	25.946.906	14.597.253	-	-
Other Payables to Related Parties	33.647.540	33.647.540	33.647.540	-	-	-
Other Payables	4.647.456	4.647.456	4.647.456	-	-	-
Total	341.930.821	360.717.648	231.219.230	69.096.013	41.921.484	18.480.921

As of 31 December 2010, the sum of open credits classified among contract cash outflows maturing in less than 3 months amounts to TL 59.031.209 (31 December 2009 – TL 62.154.924).

31. Nature and Extent of Exposure to Risks Arising from Financial Instruments (continued)

iv. Price Risk

For hedging purposes, the Group monitors its price risk through sales, cost, and profitability analyses and following up on changes in market conditions.

v. 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.

The foreign currency position of the Group as of 31 December 2010 and 2009 is set out in the table below:

31. Nature and Extent of Exposure to Risks Arising from Financial Instruments (continued)

	31 December 2010						31 December 2009				
	TL Equivalent (Functional Currency)	USD	Euro	GBP	CHF	IRR	TL Equivalent (Functional Currency)	USD	Euro	GBP	CHF
1. Trade Receivables	10.050.552	3.207.919	1.772.115	611.181	-	-	6.225.430	1.784.226	1.636.564	1.444	-
2a. Monetary Financial Assets (including Cash and Bank deposits)	3.989.904	723.896	1.361.022	34.255	42	-	22.812.867	322.506	10.315.089	18.242	-
2b. Non-monetary Financial Assets	9.277.208	4.804.915	902.254	-	-	-	3.784.502	2.104.307	285.167	-	-
3.Other	-	-	-	-	-	-	-	-	-	-	-
4. Current Assets (1+2+3)	23.317.664	8.736.730	4.035.392	645.436	42	-	32.822.799	4.211.039	12.236.820	19.686	-
5. Trade Receivables	-	-	-	-	-	-	-	-	-	-	-
6a. Monetary Financial Assets	38.680.340	25.019.625	-	-	-	-	-	-	-	-	-
6b. Non-monetary Financial Assets	-	-	-	-	-	-	-	-	-	-	-
7. Other	-	-	-	-	-	-	-	-	-	-	-
8. Long Term Assets (5+6+7)	38.680.340	25.019.625	-	-	-	-	-	-	-	-	-
9. Total Assets (4+8)	61.998.004	33.756.355	4.035.392	645.436	42	-	32.822.799	4.211.039	12.236.820	19.686	-
10. Trade Payables	33.421.340	11.800.402	7.369.293	15.311	12.363	139.144.439	26.828.000	7.622.510	7.069.870	8.928	38.929
11. Financial Liabilities	24.759.192	12.316.520	3.054.166	-	-	-	33.874.874	17.996.121	3.137.579	-	-
12.a Monetary Other Liabilities	-	-	-	-	-	-	-	-	-	-	-
12.b Non-monetary Other Liabilities	-	-	-	-	-	-	-	-	-	-	-
13. Short Term Liabilities (10+11+12)	58.180.531	24.116.921	10.423.459	15.311	12.363	139.144.439	60.702.874	25.618.631	10.207.449	8.928	38.929
14. Trade Payables	-	-	-	-	-	-	-	-	-	-	-
15. Financial Liabilities	177.491.448	25.106.262	67.413.366	-	-	-	46.265.259	1.956.009	20.052.815	-	-
16.a Monetary Other Liabilities	-	-	-	-	-	-	-	-	-	-	-
16.b Non-monetary Other Liabilities	-	-	-	-	-	-	-	-	-	-	-
17. Long Term Liabilities (14+15+16)	177.491.448	25.106.262	67.413.366	-	-	-	46.265.259	1.956.009	20.052.815	-	-
18. Total Liabilities (13+17)	235.671.979	49.223.183	77.836.824	15.311	12.363	139.144.439	106.968.133	27.574.640	30.260.264	8.928	38.929
19. Net asset / (liability) position of derecognized foreign currency derivative instruments (19a-19b)	-	-	-	-	-	-	-	-	-	-	-
19a. Total value of derecognized derivative instruments of asset nature in foreign currency	-	-	-	-	-	-	-	-	-	-	-
19b. Total value of derecognized derivative instruments of liability nature in foreign currency	-	-	-	-	-	-	-	-	-	-	-
20. Net Foreign Currency Asset / (Liability) Position (9-18+19)	(173.673.975)	(15.466.828)	(73.801.433)	630.126	(12.322)	(139.144.439)	(74.145.334)	(23.363.601)	(18.023.444)	10.758	(38.929)
21. Monetary Items Net Foreign Currency Asset / (Liability) Position (IFRS 7.B23) (=1+2a+5+6a-10-11-12a-14-15-16a)	(182.951.184)	(20.271.744)	(74.703.687)	630.126	-	-	(77.929.836)	(25.467.908)	(18.308.611)	10.758	(38.929)
22. Total Fair Value of Financial Instruments Used for Foreign Currency Hedging	-	-	-	-	-	-	-	-	-	-	-
23. Hedged Portion of Foreign Currency Assets	-	-	-	-	-	-	-	-	-	-	-
24. Hedged Portion of Foreign Currency Liabilities	-	-	-	-	-	-	-	-	-	-	-
25. Exports	43.929.550	10.335.088	12.954.582	987.512	-	-	31.708.845	21.059.205	-	-	-
26. Imports	85.046.832	31.985.365	12.466.677	282.263	115.839	-	52.965.864	35.176.904	-	-	-

31. Nature and Extent of Exposure to Risks Arising from Financial Instruments (continued)

Foreign Currency Sensitivity Analysis

As of 31 December 2010 and 2009, 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.

31 December 2010				
	Profit/Loss		Equity	
	Value increase in foreign currency	Value decrease in foreign currency	Value increase in foreign currency	Value decrease in foreign currency
When USD changes by 10% against TL:				
1- Net assets /liabilities in USD	(2.391.172)	2.391.172	-	-
2- Portion hedged from USD risk (-)	-	-	-	-
3- USD Net Effect (1+2)	(2.391.172)	2.391.172	-	-
When Euro changes by 10% against TL:				
4- Net assets /liabilities in Euro	(15.122.652)	15.122.652	-	-
5- Portion hedged from Euro risk (-)	-	-	-	-
6- Euro Net Effect (4+5)	(15.122.652)	15.122.652	-	-
When other currencies change at an average of 10% against TL:				
7- Net assets /liabilities in other foreign currencies	146.426	(146.426)	-	-
8- Portion hedged from the risk of other foreign currencies (-)	-	-	-	-
9- Net Effect of Other Foreign Currencies (7+8)	146.426	(146.426)	-	-
TOTAL (3+6+9)	(17.367.398)	17. 367.398	-	-

31 December 2009				
	Profit/Loss		Equity	
	Value increase in foreign currency	Value decrease in foreign currency	Value increase in foreign currency	Value decrease in foreign currency
When USD changes by 10% against TL:				
1- Net assets /liabilities in USD	(3.517.857)	3.517.857	-	-
2- Portion hedged from USD risk (-)	-	-	-	-
3- USD Net Effect (1+2)	(3.517.857)	3.517.857	-	-
When Euro changes by 10% against TL:				
4- Net assets /liabilities in Euro	(3.893.605)	3.893.605	-	-
5- Portion hedged from Euro risk (-)	-	-	-	-
6- Euro Net Effect (4+5)	(3.893.605)	3.893.605	-	-
When other currencies change at an average of 10% against TL:				
7- Net assets /liabilities in other foreign currencies	(3.071)	3.071	-	-
8- Portion hedged from the risk of other foreign currencies (-)	-	-	-	-
9- Net Effect of Other Foreign Currencies (7+8)	(3.071)	3.071	-	-
TOTAL (3+6+9)	(7.414.533)	7.414.533	-	-

31. Nature and Extent of Exposure to Risks Arising from Financial Instruments (continued)

vi. Interest Rate Risk

The Group is exposed to interest risk because of its interest generating assets and liabilities. The Group's activities are exposed to the risk of interest rate fluctuations when the interest -sensitive assets and liabilities are depreciated at different times and amounts or when their prices are revised. The said interest rate risk is continuously monitored and managed by the company mangement by balancing the Company's interest-sensitive assets and liabilities.

For the purpose keeping the effect of interest rate fluctuations on the financial debts at a minimum level, the company management maintains the "fixed interest/variable interest" and "TL/foreign currency" balances in these liabilities.

Interest Risk Sensitivity Analysis

The financial instruments of the Group which are sensitive to interest rates are stated in the following:

	31 December 2010	31 December 2009
Financial instruments with fixed interest		
Financial liabilities	213.715.566	44.880.111
Financial instruments with variable interest		
Financial liabilities	110.828.893	138.000.769

If the interest on loans with variable interest denominated in TL, USD and Euro on renewal dates were higher/lower by 100 basis points with all other variables remaining constant as of 31 December 2010, the current period profit before tax would be lower/higher by TL 1.363.381 as a result of high/low interest expenses arising from loans with variable interest (31 December 2009 – TL 1.236.674).

vii. Capital Risk Management

In capital management, the Group aims to enable continuity of the Group's operations and to maintain the most suitable capital structure so as to provide earnings to its partners and benefits to other shareholders and to decrease capital cost.

In order to maintain or re-arrange the capital structure, the Group may change the amount of dividends paid to shareholders, return the capital to shareholders, issue new shares, and sell its assets in order to decrease the level of its borrowings.

The Group monitors the share capital by using the debt/equity ratio. This ratio is found by dividing the net total debts to total equity. The net total debts is calculated by deducting the cash and cash equivalents from the total financial debts (long or short term).

	31 December 2010	31 December 2009
Financial debts	328.028.475	191.244.161
Less: cash and cash equivalents	(11.134.075)	(24.483.344)
Net financial debts	316.894.400	166.760.817
Total equity	307.133.816	229.436.882
Net financial debts/Total equity Ratio	103%	73%

32. Fair Value Disclosures Related to Financial Instruments

The market values and carrying values of financial assets and liabilities are set out in the table below (TL):

	31 December 2010		31 December 2009	
	Carrying Value	Market Value	Carrying Value	Market Value
Financial assets				
Cash and cash equivalents	11.134.075	11.134.075	24.483.344	24.483.344
Other trade receivables	169.996.659	169.996.659	147.255.396	147.255.396
Trade receivables from related parties	6.558.144	6.558.144	2.338.578	2.338.578
Other receivables	584.972	584.972	329.001	329.001
Other receivables from related parties	216.703.357	216.703.357	114.024.917	114.024.917
Other current assets *	417.843	417.843	391.124	391.124
Long term trade receivables	141.137	141.137	-	-
Long term other receivables	387.092	387.092	161.351	161.351
Long term financial assets	31.254.921	31.254.921	10.694.289	10.694.289
Financial liabilities				
Short term financial debts	(134.515.458)	(134.515.458)	(141.774.209)	(141.774.209)
Other financial liabilities	(67.463.901)	(67.463.901)	(71.036.737)	(71.036.737)
Trade payables	(77.042.017)	(77.042.017)	(40.544.159)	(40.544.159)
Trade payables to related parties	(1.628.362)	(1.628.362)	(810.768)	(810.768)
Other payables to related parties	(66.251.281)	(66.251.281)	(33.647.540)	(33.647.540)
Long term financial debts	(193.513.017)	(193.513.017)	(49.469.952)	(49.469.952)
Net	(103.235.836)	(103.235.836)	(37.605.365)	(37.605.365)

* Non-financial instruments such as advances given, deferred VAT, other VAT, expenses related to future months and prepaid taxes and funds are not included in the ‘other current assets’.

The Group does not have hedge accounting implementations.

33. Events After the Reporting Period

a) The head office of Ana Ortaklık Altınyıldız Mensucat ve Konfeksiyon Fabrikaları A.Ş. has moved to its new location at Yenibosna Merkez Mahallesi 29 Ekim Caddesi No:22 Bahçelievler/Istanbul as of 1 March 2011.

b) The production facilities of the Parent Company has moved to the new location at Çerkezköy Organize Sanayi Bölgesi 2. Kısım Yıldırım Beyazıt Mahallesi Barbaros Caddesi No:71 Tekirdağ as of 31 January 2011.

c) The upper limit of termination indemnity which stood at TL 2.517,01 as of 31 December 2010 has been increased to TL 2.623,23 with effect from 1 January 2011 (31 December 2009 – TL 2.365,16).

34. Other Issues Materially Affecting the Financial Statements or Requiring Disclosure for a Proper Interpretation and Understanding of the Financial Statements

a) BYN Gayrimenkul Geliştirme A.Ş. (a subsidiary) has increased its share capital from TL 2.000.000 to TL 7.000.000 in accordance with the provisions of the Turkish Commercial Code upon the resolution made to amend the Article 6 its Articles of Association - an article related to the entity's share capital.

b) The special circumstance announcement made by the Parent Company (Altınyıldız Mensucat ve Konfeksiyon Fabrikaları A.Ş.) as of 24 November 2010 is stated below:

"The factory plot located at Değirmenbahçe district of Yenibosna, Bahçelievler, Istanbul registered at Section 25 Parcel 11563 has been sold to our subsidiary "Altınyıldız Gayrimenkul Yatırım ve Geliştirme Anonim Şirketi" and the final invoice total is determined as TL 168.335.360 taking into consideration the anticipated changes in development plan. The difference arising from such changes will only take place in tax records and not recognized in the consolidated financials."

c) The special circumstance announcement made by the Parent Company (Altınyıldız Mensucat ve Konfeksiyon Fabrikaları A.Ş.) as of 14 October 2010 is stated below:

"The factory plot located at Değirmenbahçe district of Yenibosna, Bahçelievler, Istanbul registered at Section 25 Parcel 11563 on a land of 71.838 m2 which was sold to our subsidiary "Altınyıldız Gayrimenkul Yatırım ve Geliştirme Anonim Şirketi" has been valued at a total of TL 132.900.874 as a result of the valuation made by a real estate valuation company authorized by the Capital Markets Board."

d) The special circumstance announcement made by the Parent Company (Altınyıldız Mensucat ve Konfeksiyon Fabrikaları A.Ş.) as of 29 September 2010 is stated below:

"To date, a "revenue sharing agreement in return for land sale" has been entered into between our subsidiary Altınyıldız Gayrimenkul Yatırım ve Geliştirme A.Ş. and Fer Gayrimenkul Geliştirme ve İnşaat A.Ş. Within the frame of the said agreement, a project comprising office, residence, and commercial building units will be realized on the plot of 71.838 m^2 which Altınyıldız Gayrimenkul Yatırım ve Geliştirme A.Ş. has acquired from our company. This project which is expected to be completed within 3 years will provide significant contribution in terms of cash and profitability to our subsidiary as well as our Company because of the geographical location of the land as well as the architectural, aesthetical, and social advantages of the structuring planned to be realized on the said plot."

e) The special circumstance announcement made by the Parent Company (Altınyıldız Mensucat ve Konfeksiyon Fabrikaları A.Ş.) as of 24 August 2010 is stated below:

"An agreement has been signed to date for leasing the immovable property (factory and open area) of Ak-Al Tekstil Sanayi A.Ş located at Section 2 of the Organized Industrial Zone in Fevzipaşa district, Çerkezköy, Tekirdağ (Barbaros Ave No.71). Thereby, our current factory plot will be free for real estate project developments and our Altınyıldız plant will continue its operations at its new premises with a much higher capacity."

f) As of 30 June 2010, out of the total placement of TL 39.398.388 granted to BBA Beymen Boğaziçi Alboy Mağazacılık Ticaret A.Ş., the principal amount of TL 38.343.945 is transferred to Boyner Holding A.Ş. as of 1 August 2010.

34. Other Issues Materially Affecting the Financial Statements or Requiring Disclosure for a Proper Interpretation and Understanding of the Financial Statements (continued)

g) The special circumstance announcement made by the Parent Company (Altınyıldız Mensucat ve Konfeksiyon Fabrikaları A.Ş.) as of 14 June 2010 is stated below:

"Pursuant to the discussions relevant to participating as the founding partner in the company to be established, namely, "Altınyıldız Gayrimenkul Yatırım ve Geliştirme A.Ş", resolution is made to participate with a total of TL 49.960 corresponding to 49.960 shares in the said company's establishment capital of TL 50.000."