

DOĐAN GAZETECİLİK A.Ő.

**CONVENIENCE TRANSLATION INTO ENGLISH OF
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009
TOGETHER WITH INDEPENDENT AUDITOR'S REPORT**

(ORIGINALLY ISSUED IN TURKISH)

**CONVENIENCE TRANSLATION INTO ENGLISH OF
INDEPENDENT AUDITOR'S REPORT
ORIGINALLY ISSUED IN TURKISH
INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors of
Doğan Gazetecilik A.Ş.

1. We have audited the accompanying consolidated financial statements of Doğan Gazetecilik A.Ş., its subsidiaries and its joint venture (collectively referred to as the "Group") which comprise the consolidated balance sheet as of 31 December 2009 and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory notes.

Management's responsibility for the financial statements

2. The Group management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the financial reporting standards endorsed by the Capital Markets Board ("CMB"). This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the consolidated 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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Group management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

4. In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of Doğan Gazetecilik A.Ş., its subsidiaries and its joint venture as of 31 December 2009, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the financial reporting standards endorsed by the CMB (Note 2).

Additional paragraph for convenience translation into English

5. The accounting principles described in Note 2 to the consolidated financial statements differ from International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board with respect to the application of inflation accounting for the period between 1 January - 31 December 2005. Accordingly, the accompanying consolidated financial statements are not intended to present the consolidated financial position and results of operations of the Group in accordance with IFRS.

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

**ORIGINALLY SIGNED
IN TURKISH**

Gökhan Yüksel, SMMM
Partner

Istanbul, 5 April 2010

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

DOĞAN GAZETECİLİK A.Ş.

**CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2009**

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

DOĞAN GAZETECİLİK A.Ş.

CONSOLIDATED BALANCE SHEETS
AT 31 DECEMBER 2009 AND 2008

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

	Note	31 December 2009	31 December 2008
	References		
ASSETS			
Current assets		96.723.860	101.354.481
Cash and cash equivalents	5	1.230.535	16.217.556
Trade receivables			
- Due from related parties	29	18.005.852	14.730.824
- Other trade receivables	8	58.785.253	57.051.551
Other receivables		62.637	97.714
Inventories	10	6.443.551	5.643.760
Other current assets	18	12.196.032	6.837.876
		96.723.860	100.579.281
Non-current assets held for sale	26	-	775.200
Non-current assets		233.028.605	229.166.916
Other receivables	9	65.033	65.033
Financial assets	6	69.585	69.585
Investment property	11	12.914.147	6.827.628
Property, plant and equipment	12	24.096.837	26.029.809
Intangible assets	13	71.045.052	74.733.424
Goodwill	14	113.857.178	113.857.178
Deferred income tax assets	27	6.419.546	3.850.344
Other non-current asset	18	4.561.227	3.733.915
TOTAL ASSETS		329.752.465	330.521.397

The consolidated financial statements for the year ended 31 December 2009 have been approved by Bilen Böke, Chief Financial Officer and Asil Alptekin, Director of Financial Affairs on behalf of the Board of Directors on 5 April 2010. In addition, financial statements are subject to approval of shareholders of the Company in the General Assembly of year 2009.

Bilen Böke
Chief Financial Officer

Asil Alptekin
Director of Financial Affairs

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

**CONVENIENCE TRANSLATION INTO ENGLISH OF CONSOLIDATED
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DOĞAN GAZETECİLİK A.Ş.

**CONSOLIDATED BALANCE SHEETS
AT 31 DECEMBER 2009 AND 2008**

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

	Note References	31 December 2009	31 December 2008
LIABILITIES			
Current liabilities		97.161.078	84.183.491
Borrowings	7	20.014.628	1.061.081
Trade payables			
- Due to related parties	29	44.345.558	64.654.389
- Other trade payables	8	8.659.476	5.652.991
Other payables	9	6.103.589	4.267.000
Current income tax liabilities	27	-	-
Provisions	15	2.841.288	2.928.267
Other current liabilities	18	15.196.539	5.619.763
Non-current liabilities		7.669.281	5.292.537
Provision for employment termination benefit	17	7.669.281	5.292.537
EQUITY	19	224.922.106	241.045.369
Equity attributable to equity holders of the company	19	224.537.858	240.793.202
Share capital	19	105.000.000	105.000.000
Adjustment to share capital	19	45.910.057	45.910.057
Share premium	19	82.060.000	82.060.000
Restricted reserves	19	20.120.447	8.904.299
Retained earnings	19	(12.297.302)	(327.866)
(Loss)/profit for the period		(16.255.344)	(753.288)
Minority interests		384.248	252.167
TOTAL LIABILITIES AND EQUITY		329.752.465	330.521.397
Provisions, contingent assets and liabilities	15		

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

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

DOĞAN GAZETECİLİK A.Ş.

**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED 31 DECEMBER 2009 AND 2008**

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

	Note References	1 January - 31 December 2009	1 January - 31 December 2008
Sales	20	350.364.286	341.353.101
Cost of sales (-)	20	(230.045.787)	(231.754.513)
Gross Profit		120.318.499	109.598.588
Marketing, selling and distribution expenses (-)	21	(95.538.435)	(96.236.602)
General administrative expenses (-)	21	(27.221.653)	(25.406.422)
Other income	23	4.663.109	8.440.719
Other expenses (-)	23	(14.262.674)	(12.627.605)
Operating loss		(12.041.154)	(16.231.322)
Financial income	24	4.327.270	19.841.156
Financial expenses (-)	25	(8.702.780)	(12.815.330)
Loss before income taxes		(16.416.664)	(9.205.496)
Taxation on income		293.401	8.476.110
- Current income tax for the period	27	(2.275.801)	(3.039.626)
- Deferred income tax credit/(charge)	27	2.569.202	11.515.736
Loss for the period		(16.123.263)	(729.386)
Other comprehensive income:			
Other comprehensive income		-	-
Total comprehensive loss		(16.123.263)	(729.386)
Allocation of loss for the period			
Attributable to minority interests	2	132.081	23.902
Attributable to equity holders of the Company		(16.255.344)	(753.288)
Allocation of comprehensive loss for the period			
Attributable to minority interests	2	132.081	23.902
Attributable to equity holders of the Company		(16.255.344)	(753.288)
Loss per share attributable to equity holders of the Company (Kr)	28	(15,5)	(0,7)

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

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

DOĞAN GAZETECİLİK A.Ş.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED 31 DECEMBER 2009 AND 2008

(Amounts expressed in thousands of Turkish Lira ("TRY") unless otherwise indicated.)

	Note references	Share capital	Adjustment to share capital	Share premium	Translation reserve	Restricted reserves	Retained earnings/ (accumulated losses)	Net profit/ (loss) for the period	Equity attributable to equity holders of the company	Minority interest	Total equity
Balances at											
1 January 2008	19	100.000.000	45.910.057	82.060.000	69.911	3.837.564	905.769	8.833.100	241.616.401	228.265	241.844.666
Transfers	19	-	-	-	-	5.066.735	3.766.365	(8.833.100)	-	-	-
Currency translation differences	2	-	-	-	(69.911)	-	-	-	(69.911)	-	(69.911)
Capital increase	19	5.000.000	-	-	-	-	(5.000.000)	-	-	-	-
Total comprehensive loss	19	-	-	-	-	-	-	(753.288)	(753.288)	23.902	(729.386)
Balances at											
31 December 2008	19	105.000.000	45.910.057	82.060.000	-	8.904.299	(327.866)	(753.288)	240.793.202	252.167	241.045.369
Balances at											
1 January 2009	19	105.000.000	45.910.057	82.060.000	-	8.904.299	(327.866)	(753.288)	240.793.202	252.167	241.045.369
Transfers	19	-	-	-	-	11.216.148	(11.969.436)	753.288	-	-	-
Total comprehensive loss	19	-	-	-	-	-	-	(16.255.344)	(16.255.344)	132.081	(16.123.263)
Balances at											
31 December 2009	19	105.000.000	45.910.057	82.060.000	-	20.120.447	(12.297.302)	(16.255.344)	224.537.858	384.248	224.922.106

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

**CONVENIENCE TRANSLATION OF FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN GAZETECİLİK A.Ş.

**CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2009 AND 2008**

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

	Note References	31 December 2009	31 December 2008
Loss before income taxes		(16.416.664)	(9.205.496)
Adjustments:			
Amortization	11, 12	3.620.913	4.287.670
Depreciation	13	3.818.131	3.420.895
Loss/(gain) on disposal of property, plant and equipment, intangible assets and investment property	23	98.135	(1.212.650)
Unearned financial income	8	296.067	653.421
Unearned credit finance charged to related parties	29	(119.236)	(260.524)
Interest expense	25	4.643.817	111.271
Interest income	24	(857.947)	(5.383.150)
Doubtful receivable provision	8	3.680.305	1.700.114
Unused vacation liability	18	1.132.415	771.763
Employment termination benefit provision	17	4.534.236	3.184.076
Currency translation differences		-	(69.911)
Gain on disposal of subsidiary	23	-	(3.185.528)
Diminution in carrying value of goodwill	14	-	9.436.217
Provision for impairment on investment property	11	(175.229)	471.733
Adjustments to reconcile profit before income taxes from continuing operations to net cash from operating activities		4.254.943	4.719.901
Other trade receivables	8	(5.710.074)	9.441.433
Receivables from related parties	29	(3.275.028)	(1.360.872)
Inventories	10	(799.791)	(118.966)
Income tax paid	27	(1.719.395)	(3.881.039)
Other current receivables	9	35.077	5.318
Other current assets	18	(4.466.073)	(582.177)
Other trade payables	8	3.006.485	(3.356.874)
Payable to related parties	29	(20.189.595)	(34.179.250)
Other payables	9	1.836.589	(1.619.133)
Provisions	15	(1.219.394)	(1.357.924)
Other current liabilities	18	7.300.975	2.369.776
Other non-current receivables	9	-	(6.103)
Employment termination benefits paid	17	(2.157.492)	(2.768.912)
Non-current assets held for sale	26	775.200	311.200
Net cash used in operating activities		(22.327.573)	(32.383.622)
Investing activities:			
Sales of financial asset	6	-	65.051
Purchase of investment property, net	11	(8.437.933)	(1.759.763)
Purchase of property, plant and equipment	12	(1.472.782)	(2.175.582)
Purchase of intangible assets	13	(129.759)	(17.676.568)
Proceeds from sale of property, plant and equipment, intangible assets and investment property	11, 12, 23	2.213.349	2.432.296
Acquisition of subsidiaries, net paid	3	-	(21.179.960)
Net cash used in investing activities		(7.827.125)	(40.294.526)
Financing activities:			
Increase/(decrease) in borrowings, net	7	18.919.534	(22.703.825)
Interest paid		(4.609.804)	(111.271)
Interest received		857.947	5.377.093
Net cash (used in)/provided by financing activities		15.167.677	(17.438.003)
Net decrease in cash and cash equivalents	5	(14.987.021)	(90.116.151)
Cash and cash equivalents at the beginning of the period	5	16.217.556	106.333.707
Cash and cash equivalents at the end of the period		1.230.535	16.217.556

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

**CONVENIENCE TRANSLATION OF FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN GAZETECİLİK A.Ş.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009**

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

NOTE 1 - ORGANIZATION AND NATURE OF OPERATIONS

Doğan Gazetecilik A.Ş. (“the Company”) and its Subsidiaries and Joint Venture (“the Group”) operate in the media sector; mainly in newspaper and magazine publishing, and undertake related distribution and sales activities.

The Company’s parent company is Doğan Yayın Holding A.Ş., ultimate parent company is Adilbey Holding.

The address of the registered office is as follows:

Doğan Gazetecilik A.Ş.
Yüzyıl Mahallesi Doğan Medya Center Bağcılar, Istanbul-Turkey

Doğan Gazetecilik A.Ş. is registered in the Capital Markets Board (“CMB”) and its shares have been quoted on the Istanbul Stock Exchange (“ISE”) since 1993. The shares of the Company quoted on the ISE are 41,39% of the total shares.

The Company is a member of Doğan Şirketler Grubu Holding A.Ş. (“Doğan Holding”) through the investment of Doğan Yayın Holding A.Ş. (“Doğan Yayın”), which has a majority ownership in the Company.

Joint Ventures

The table below sets out all Subsidiaries included in the scope of consolidation at 31 December 2009 and 31 December 2008:

Subsidiaries	Registered country	Nature of business
Kemer Yayıncılık ve Gazetecilik A.Ş. (“Kemer Yayıncılık”)	Turkey	Investment
Bağımsız Gazeteciler Yayıncılık A.Ş. (“Bağımsız Gazeteciler”)	Turkey	Newspaper publishing
Kemer Yayıncılık Pazarlama San. ve Tic. A.Ş. (“Kemer Yayıncılık Pazarlama”)	Turkey	Internet services
Milliyet Verlags und Handels GmbH (“Milliyet Verlags”) (1)	Germany	Newspaper distribution
DYG İlan ve Reklam Hizmetleri A.Ş. (“DYG İlan”)	Turkey	Advertising
Milliyet Haber Ajansı A.Ş. (“Milha”)	Turkey	News Agency
Milliyet İnternet Hizmetleri ve Ticaret A.Ş. (“Milliyet İnternet”) (2)	Turkey	Internet publishing

**CONVENIENCE TRANSLATION OF FINANCIAL STATEMENTS
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DOĞAN GAZETECİLİK A.Ş.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009**

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

NOTE 1 - ORGANIZATION AND NATURE OF OPERATIONS (Continued)

- (1) On 13 June 2008, share capital of Milliyet Verlags was increased from Euro 616.000 to Euro 2.620.000. The Group did not use its right to buy new shares resulting in a decrease its participation rate from 74,03% to 17,34%. Effective from 13 June 2008, Group ceased to consolidate Milliyet Verlags and classified as available for sale (Note 6). The financial asset is recognized with an amount equal to the Group's share in the net assets of Milliyet Verlags after the share capital increase.
- (2) On 9 May 2008, share capital of Milliyet İnternet has been increased from TRY50.000 to TRY20.000.000. The Group's participation rate is increased to 99,8% from 30,5% hence the Group started to consolidate Milliyet İnternet effective from 9 May 2008.

Joint Venture

The table below sets out the Joint Venture included in the scope of consolidation at 31 December 2009 and 2008:

	Registered country	Nature of business	Joint venture partner
Birey Seçme ve Değerlendirme Danışmanlık Ltd. Şti.	Turkey	Internet publishing	Doğan Portal ve Elektronik Tic. A.Ş.

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

2.1 Basis of presentation

2.1.1 Financial reporting standards

CMB regulated the principles and procedures of preparation, presentation and announcement of financial statements prepared by the entities with the Communiqué No: XI-29, "Principles of Financial Reporting in Capital Markets" ("the Communiqué"). This Communiqué is effective for the annual periods starting from 1 January 2008 and supersedes the Communiqué No: XI-25 "The Financial Reporting Standards in the Capital Markets". According to the Communiqué, entities shall prepare their financial statements in accordance with International Financial Reporting Standards ("IAS/IFRS") endorsed by the European Union. Until the differences of the IAS/IFRS as endorsed by the European Union from the ones issued by the International Accounting Standards Board ("IASB") are announced by Turkish Accounting Standards Board ("TASB"), IAS/IFRS issued by the IASB shall be applied. Accordingly, Turkish Accounting Standards / Turkish Financial Reporting Standards ("TAS/TFRS") issued by the TASB which are in line with the aforementioned standards shall be considered.

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

**CONVENIENCE TRANSLATION OF FINANCIAL STATEMENTS
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DOĞAN GAZETECİLİK A.Ş.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009**

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

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

Within the scope of CMB’s Communiqué Serial XI, No:29 and its announcements clarifying this communiqué the consolidated financial statements have been prepared in accordance with the CMB’s Financial Reporting Standards which are based on IAS/IFRS, as the differences of IAS/IFRS, adopted by the European, from those published by IASB have not yet been announced by TASB as of the date of these financial statements. Consolidated financial statements and accompanying notes have been presented in accordance with the format, recommended to be implemented by CMB through its announcement dated 14 April 2008 and 9 January 2009, and by including the mandatory information. As per CMB’s Communiqué No: XI, No: 29 and its announcements clarifying this communiqué entities are required to present the hedging rate of their total foreign exchange liability and total export and import amounts in the notes to the consolidated financial statements.

The Company and its subsidiaries and joint venture registered in Turkey maintain their books of account and prepare their statutory financial statements (“Statutory Financial Statements”) in TRY in accordance with the Turkish Commercial Code (the “TCC”), tax legislation, and the Uniform Chart of Accounts issued by the Ministry of Finance. The foreign subsidiaries prepare their statutory financial statements in accordance with the laws and regulations in force in the countries in which they are registered.

These consolidated financial statements are based on the statutory records, which are maintained under historical cost conversion, with the required adjustments and reclassifications reflected for the purpose of fair presentation in accordance with the CMB Financial Reporting Standards.

2.1.2 Financial statements of subsidiaries operating in foreign countries

Financial statements of subsidiaries that are operating in foreign countries are prepared in accordance with the laws and regulations in force in the countries in which they are registered in and required adjustments and reclassifications reflected for the purpose of fair presentation in accordance with the Group’s accounting policies.

The results and financial position of all the group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- income and expenses for each income statement are translated at average exchange rates; and
- all resulting exchange differences are recognised as a separate component of equity (translation reserve).

2.1.3 Consolidation principles

The consolidated financial statements include the accounts of the parent company, Doğan Gazetecilik A.Ş., its subsidiaries and joint venture on the basis set out in sections (a) to (d) below. The financial statements of the companies included in the scope of consolidation have been prepared as of the date of the consolidated financial statements, and are prepared in accordance with CMB Financial Reporting Standards as explained in Note 2.1.1.

**CONVENIENCE TRANSLATION OF FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN GAZETECİLİK A.Ş.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009**

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

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

(a) Subsidiaries

Subsidiaries are companies over which Doğan Gazetecilik A.Ş. has power to control the financial and operating policies for the benefit of Doğan Gazetecilik A.Ş. either (a) through the power to exercise more than 50% of voting rights relating to shares in the companies as a result of shares owned directly and indirectly by itself; or (b) although not having the power to exercise more than 50% of the voting rights, through the exercise of actual dominant influence over the financial and operating policies. The results of Subsidiaries are included to the consolidated financial statements from their effective dates of acquisition.

The balance sheets and statements of income of the subsidiaries are consolidated on a line-by-line basis and the carrying value of the investment held by Doğan Gazetecilik A.Ş. and its Subsidiaries is eliminated against the related equity. Intercompany transactions and balances between Doğan Gazetecilik A.Ş. and its subsidiaries are eliminated on consolidation. The cost of and the dividends arising from shares held by Doğan Gazetecilik A.Ş. are eliminated from shareholders' equity and income for the period respectively.

The table below sets out all subsidiaries included in the scope of consolidation and shows their shareholder structure at 31 December 2009 and 31 December 2008:

	Proportion of the voting power held by the Group (%) 31 December 2009	Proportion of the voting power held by the Group (%) 31 December 2008
Kemer Yayıncılık	99,98	99,98
Bağımsız Gazeteciler	99,99	99,99
Kemer Yayıncılık Pazarlama	99,96	99,96
DYG İlan	50,02	50,02
Milha	66,99	66,99
Milliyet İnternet	99,83	99,83

(b) Financial assets at fair value through profit and loss

Financial assets at fair value through profit and loss in which the Group has controlling interests below 20%, or above 20% over which the Company does not exercise a significant influence, or which are immaterial and that do not have quoted market price in active markets and whose fair values cannot be measured reliably, are carried at cost less any provision for diminution in value and for the periods which inflation accounting is applied are carried at cost and restated to the equivalent purchasing power at the balance sheet date less any provision for diminution in value (Note 6).

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

(c) Joint Venture

Joint ventures are companies in respect of which there are contractual arrangements through which an economic activity is undertaken subject to joint control by the Company and one or more other parties. The Group's interest in joint ventures is accounted for by way of proportionate consolidation. By this method, the Group includes its share of the assets, liabilities, income and expenses of each joint venture in the relevant components of the financial statements.

The table below sets out the joint venture included in the scope of consolidation and shows its shareholder structure at 31 December 2009 and 31 December 2008:

	Proportion of joint management 31 December 2009	Proportion of joint management 31 December 2008	Joint Venture Partner
Birey Seçme ve Değerlendirme Danışmanlık Ltd. Şti.	50	50	Doğan Portal ve Elektronik Tic. A.Ş.

(d) Minority Interest

The minority shareholders' share in the net assets and results for the period for subsidiaries are separately classified in the consolidated balance sheets and statements of income as minority interest.

The losses applicable to the minority in a consolidated subsidiary may exceed the minority interest in the equity of the subsidiary. The excess, and any further losses applicable to the minority, are charged against the majority interest except to the extent that the minority has a binding obligation to, and is able to, make good the losses. If the subsidiary subsequently reports profits, the majority interest is allocated all such profits until the minority's share of losses previously absorbed by the majority has been recovered.

2.1.4 Offsetting

Financial assets and liabilities are offset and the net amount is reported in the consolidated balance sheet when there is a legally enforceable right to set-off the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

2.1.5 Comparatives

The financial statements of the Group include comparative financial information to enable the determination of the financial position and performance. The balance sheet of the Group at 31 December 2009 has been provided with the comparative financial information of 31 December 2008 and the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year ended 31 December 2009 have been provided with the comparative financial information, for the year ended 31 December 2008

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

Where necessary, comparative figures have been reclassified to conform to the changes in presentation in the current year

- Legal reserves and other extraordinary reserves amounting to TRY5.066.735 included in “Retained earnings” in the consolidated balance sheet at 31 December 2008 have been reclassified to “Restricted reserves” in the current period.
- Trade receivables amounting to TRY2.882.370 included in “Other trade receivables” in the consolidated balance sheet at 31 December 2008 have been reclassified to “Due from related parties” in the current period.
- Land amounting to TRY5.539.598 included in “Property plant and equipment” in the consolidated balance sheet at 31 December 2008 have been reclassified to “Investment Property” in the current period
- Trade Receivable amounting to TRY142.844 included in “Other trade receivables” in the consolidated balance sheet at 31 December 2008 have been reclassified to “Due from related parties” in the current period.

2.1.6 Going concern

Financial statements have been prepared in accordance with the principle of going concern

2.1.7 Changes in CMB Financial Reporting Standards

(a) *Standards, amendments and interpretations to existing standards that are in effective in 2009 and are relevant to the Group’s operations:*

- IAS 1 (Revised), “Presentation of financial statements” (effective from 1 January 2009). The revised standard will prohibit the presentation of items of income and expenses (that is, “non-owner changes in equity”) in the statement of changes in equity, requiring ‘non-owner changes in equity’ to be presented separately from owner changes in equity. All non-owner changes in equity will be required to be shown in a performance statement, but entities can choose whether to present one performance statement (the statement of comprehensive income) or two statements (the income statement and statement of comprehensive income). Where entities restate or reclassify comparative information, they will be required to present a restated balance sheet as at the beginning comparative period in addition to the current requirement to present balance sheets at the end of the current period and comparative period. In this respect, the Group presented comprehensive income statements for the years ended 31 December 2009 and 2008.

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

- IAS 36 (Amendment), “Impairment of assets” (effective from 1 January 2009). The amendment is part of the IASB’s annual improvements project published in May 2008. Where fair value less costs to sell is calculated on the basis of discounted cash flows, disclosures equivalent to those for value-in-use calculation should be made. The Group applies IAS 36 (Amendment) and provides the required disclosure where applicable for impairment tests effective from 1 January 2009.
- IFRS 8, “Operating segments” (effective from 1 January 2009). IFRS 8 replaces IAS 14, “Segment reporting”, and aligns segment reporting with the requirements of the US standard SFAS 131, “Disclosures about segments of an enterprise and related information”. The new standard requires a ‘management approach’, under which segment information is presented on the same basis as that used for internal reporting purposes. The Group has one reportable segment in accordance with IFRS 8.
- IFRS 7 “Financial instruments - Disclosures” (amendment) - effective 1 January 2009. The amendment requires enhanced disclosures about fair value measurement and liquidity risk. In particular, the amendment requires disclosure of fair value measurements by level of a fair value measurement hierarchy. As the change in accounting policy only results in additional disclosures, there is no impact on earnings per share.

The following standards and amendments to existing standards are not disclosed in detail as it is expected that their application will not have a significant effect on the consolidated financial statements of the Group.

- IAS 23, (Revised), “Borrowing Costs” (effective from 1 January 2009)
- IAS 27 (Revised), “Consolidated and separate financial statements” (effective from 1 July 2009)
- IFRS 3 (Revised), “Business combinations” (effective from 1 July 2009)
- IFRS 2 (Revised), “Share-based payment” (effective from 1 July 2009)
- IAS 31(Revised), “ Accounting for jointly controlled entities” (effective from 1 July 2009)
- IFRIC 17, “ Distribution of non-monetary assets to shareholders” (effective from 1 July 2009)
- IAS 38 (Revised), “Intangible Assets” (effective from 1 July 2009)
- IAS 1 (Revised), “Presentation of financial statements” (effective from 1 January 2010)
- IFRS 5 (Revised), “Non-current assets held for sale and discontinued operations” (effective from 1 January 2010)

2.1.8 Convenience Translation into English of Consolidated Financial Statements Originally Issued in Turkish

The financial reporting standards issued by the CMB as described in Note 2.2 to these consolidated financial statements differ from IFRS issued by the International Accounting Standards Board with respect to the application of inflation accounting for the period between 1 January - 31 December 2005. Accordingly, these consolidated financial statements are not intended to present the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with IFRS.

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

2.2 Summary of Significant Accounting Policies

The principal accounting policies adopted in the preparation of these consolidated financial statements are set out below:

Related parties

For the purpose of these consolidated financial statements, shareholders, key management personnel and Board members, in each case together with their families and companies controlled by or affiliated with them, associates and joint ventures are considered and referred to as related parties (Note 29).

Trade receivables and provision for doubtful receivables

Trade receivables that are created by the Group by way of providing goods or services directly to a debtor are carried at amortised cost. Trade receivables, net of unearned financial income, are measured at amortised cost, using the effective interest rate method, less the unearned financial income. Short duration receivables with no stated interest rate are measured at the original invoice amount unless the effect of imputing interest is significant (Note 8).

A credit risk provision for trade receivables is established if there is objective evidence that the Group will not be able to collect all amounts due. Additionally, the Group impairs the receivables for which there are no guarantees or special agreements and which are overdue for more than one year. The amount of the provision is the difference between the carrying amount and the recoverable amount, being the present value of all cash flows, including amounts recoverable from guarantees and collateral, discounted based on the original effective interest rate of the originated receivables at inception.

If the impairment amount decreases due to an event occurring after the write-down, the release of the provision is credited to other income in the current period.

Financial assets

Financial assets intended to be held for an indefinite period of time, which may be sold in response to needs for liquidity or changes in interest rates are classified as “available-for-sale”. Management determines the appropriate classification of its financial assets at the time of the purchase and re-evaluates such designations on a regular basis.

All financial assets are initially recognised at cost, being the fair value of the consideration given and including acquisition charges associated with the investment. Available-for-sale financial assets are subsequently re-measured at fair value if the fair values can be reliably measured.

For the financial assets which the Group owns less than %20 of the shares are measured at their acquisition cost less the impairment amount if the fair value cannot be reliably estimated. Gains and losses resulting from the fair value changes of the financial assets which are classified as “available-for-sale” are reflected to financial statements at the year end.

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

Unrealized gains and losses arising from changes in the fair value of securities classified as available-for-sale are deferred in the equity until the financial asset is sold, collected or otherwise disposed of. When available for sale securities are sold, collected or otherwise disposed of, related deferred gains and losses in equity are released to the statement of income.

Inventories

Inventories are valued at the cost or net realisable value. Cost elements included in inventories are materials, labour and an appropriate amount of factory overheads. The cost of inventories is determined using the moving weighted average and weighted average methods. Net realisable value is the estimated selling price in the ordinary course of business, less the costs of completion and selling expenses (Note 10).

Investment properties

Buildings and land held to earn rent or for capital appreciation or both rather than for use in the production or supply of goods or services or for administrative purposes or sale in the ordinary course of business are classified as investment property. Investment properties are carried at cost less accumulated depreciation. Investment properties (except land) are amortised on a straight-line basis. Depreciation is calculated over the investment properties' book values. The depreciation periods for investment properties, which approximate the economic useful lives of such assets, is 50 years.

At each balance sheet date, the Group evaluates whether an indication of impairment exists. Where an indication of impairment exists; investment properties are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount, which is the higher of the asset's net selling price or value in use (Note 11).

Property, plant, equipment and related depreciation

Property, plant and equipment are carried at cost less accumulated depreciation. They are amortised on a straight-line basis. The depreciation is calculated over tangible assets' purchasing power at the balance sheet date.

The depreciation periods for property, plant and equipment, which approximate the useful lives of such assets, are as follows:

Buildings	25-50 years
Machinery and equipment	3-15 years
Furniture and fixtures	4-15 years
Motor vehicles	5-10 years
Leasehold improvements	5 years

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At each balance sheet date, the Group evaluates whether an indication of impairment exists. Where an indication of impairment exists; property, plant and equipment are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount, which is the higher of asset net selling price or value in use.

Gains or losses on disposals of property, plant and equipment are determined by comparing proceeds with carrying amounts and are included in operating profit.

Repair and maintenance expenses are charged to the income statement as they are incurred. Repair and maintenance expenditures are capitalized if they result in an enlargement or substantial improvement of the respective assets (Note 12).

Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the group's share of the net identifiable assets of the acquired subsidiary/associate at the date of acquisition.

Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. The Group performs the goodwill impairment tests at 31 December.

Intangible assets and amortization

Intangible assets comprise trademark, software, established information systems and other identified rights.

They are recorded at their acquisition cost and amortised using the straight-line method over their estimated useful lives for a period not exceeding 10 years. Where an indication of impairment exists, the carrying amount of any intangible asset is assessed and written down immediately to its recoverable amount (Note 13).

Estimated useful lives of the finited lived intangible assets are as follows:

	Years
Trademark	25
Rights	15
Other intangible assets	10

Assets held for sale

Non-current assets are classified as assets held for sale and stated at the lower of carrying amount and fair value less costs to sell if their carrying amount is to be recovered principally through a sale transaction rather than through continuing use.

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

Taxes on income

Taxes include current period income taxes and deferred taxes. Current year tax liability consists of tax liability on period income calculated according to currently enacted tax rates and tax legislation in force as of balance sheet date and includes adjustments related to previous years’ tax liabilities.

Deferred income tax is provided in full, using the liability method, on all temporary differences arising between the tax bases of assets and liabilities and their carrying values in the consolidated financial statements. Currently enacted tax rates are used to determine deferred income tax.

In substance, temporary differences arise from the differences in the periods of the recognition of income and expenses in accordance with the accounting policies described in Note 2 and tax legislation.

Deferred tax liabilities are recognized for all taxable temporary differences, whereas deferred tax assets resulting from deductible temporary differences are recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary difference can be utilized.

Deferred tax assets and deferred tax liabilities related to income taxes levied by the same taxation authority are offset accordingly.

Borrowings

Borrowings are recognized initially at the proceeds received, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost using the effective yield method. Any difference between proceeds, net of transaction costs, and the redemption value is recognized in the income statement as financial expense over the period of the borrowings (Note 7).

Employment termination benefits

The Group is required to pay termination benefits to employees who is retired, whose employment is terminated without due causes in Labour Law, in accordance with the Law related with The Arrangement of the Relationships within the Employees in Press Sector (employees in media sector) and other laws. The provision for employment termination benefits, as required by Turkish Labour Law, is recognised in these financial statements as the benefits are earned. The total provision represents the present value of future probable obligation of the Group arising from the retirement of its employees regarding the actuarial projections (Note 17).

Provisions, contingent liabilities and assets

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made.

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

Possible assets or obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group are not included in financial tables and are treated as contingent assets or liabilities.

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits to the entity. Contingent assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

A contingent asset is disclosed where an inflow of economic benefit is probable. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits will arise, the asset and the related income are recognized in the financial statements of the period in which the change occurs.

Share capital, dividends and share premium

Ordinary shares are classified as equity. Pro-rata capital increases to existing shareholders are accounted for at par value as approved. Dividends on ordinary shares are recognised in equity in the period in which they are declared. Share premium represents the difference between nominal value of the publicly held shares and their sales prices (Note 19).

Foreign currency transactions and translation

Income and expenses arising in foreign currencies have been translated at the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies have been translated at the exchange rates prevailing at the balance sheet dates. Exchange gains or losses arising from settlement and translation of foreign currency items have been included in the consolidated income statement.

Revenue recognition

Revenue from newspaper sales is recognised at the time of delivery of the newspapers by the distribution company to the vendor at the invoiced values. Revenue arising through advertising is recognised at the time of publishing, at the invoiced values. Revenue from unpublished part of advertisements is recognized as deferred income in balance sheet. The amount of recorded income should be measurable, economic benefits should arise as a result of the transactions, and the income should be accounted for with respect to the fair value of the receivable income. If the sales transaction is including a financing transaction, the fair value of the sales amount should be calculated according to the receivables dates related to the sales. Net sales represent the invoiced value of goods shipped less sales returns, commission, sales premiums given to the advertising agencies based on the advertising revenue, and excluding sales taxes. When the arrangement effectively constitutes a financing transaction, the fair value of the consideration is determined by discounting all future receipts using an imputed rate of interest. The difference between the fair value and the nominal amount of the consideration is recognized as interest income on a time proportion basis that takes into account the effective yield on the asset. Newspaper sale returns are recorded at the time of sale, based on previous experience and other relevant factors.

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

Interest income:

Interest income is recognized on a time proportion basis that takes into account the effective yield on the asset.

Rental income:

Rental income of investment properties is recognized on an accrual basis.

Service income:

Service income consisting of building contribution shares, electricity, and heating is recognised on an accrual basis.

Barter agreements

When goods or services are exchanged or swapped for goods or services which are of a similar nature and value, the exchange is not regarded as a transaction that generates revenue. When goods are sold or services are rendered in exchange for dissimilar goods or services, the exchange is regarded as a transaction that generates revenue. The revenue is measured at the fair value of the goods or services received. When the fair values of goods and services received cannot be estimated reliably, the revenue is measured at the fair value of the goods or services received, adjusted by the amount of any cash or cash equivalents transferred (Note 16).

Earnings / loss per share

Earnings /loss per share disclosed in the consolidated statements of income are determined by dividing net profit / loss by the weighted average number of shares that have been outstanding during the period concerned.

In Turkey, companies can increase their share capital by making a pro-rata distribution of shares (“bonus shares”) to existing shareholders from retained earnings. For the purpose of earnings per share computations, such bonus share issuances are regarded as issued shares. Accordingly the weighted average number of shares used in earnings per share computations is derived by giving retroactive effect to the issuances of the shares without consideration (Note 28).

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, bank deposits and highly liquid assets, whose maturity at the time of purchase is less than three months (Note 5).

Web page development costs

The Group capitalises direct costs incurred in the development of its websites and recognises over the estimated useful lives. The costs incurred that relate to the planning and post implementation phases are expensed. Costs associated with repair and maintenance of the website is included in operating expenses in the consolidated statements of operations (Note 13).

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

Changes and errors in accounting policies and estimates

Material changes in accounting policies and material errors are corrected retrospect from previous periods' financial statements. If the accounting policy changes are only related with the current period, they are only reflected to the current period's financial statements; whereas if they are related with both the current and following periods, they are reflected to both periods in consideration of the definition of net income of the period.

During 2009, the Group re-evaluated the useful life of the buildings classified in investment property and increased to 50 years from 25 years. As a result of this change in estimate, depreciation charge for the year ended 31 December 2009 decreased by TRY379.367.

Subsequent events

Subsequent events consist of all events between balance sheet date and date of authorization for validity, even if they have been existed after public explanation of an announcement about profit or other financial information.

The Group adjusts amounts in financial statements accordingly, when an operation or event to be adjusted exists after balance sheet date.

Reporting of cash flows

In the statement of cash flows, cash flows during the period are classified under operating, investing or financing activities.

The cash flows raised from/ (used in) operating activities indicate cash flows due to the Group's operations.

The cash flows due to investing activities indicate the Group cash flows that are used for and obtained from investments (investments in property, plant and equipment and financial investments).

The cash flows due to financing activities indicate the cash obtained from financial arrangements and used in their repayment.

Cash and cash equivalents include cash and bank deposits and the investments that are readily convertible into cash and highly liquid with less than three months to maturity (Note 5).

Critical Accounting Estimates and Judgements

Preparation of financial statements requires the use of estimates and assumptions that may affect the amount of assets and liabilities recognised as of the balance sheet date, contingent assets and liabilities disclosed and the amount of revenue and expenses reported. Although, these estimates and assumptions rely on the Group management's best knowledge about current events and transactions, actual outcomes may vary from those estimates and assumptions. The critical accounting estimates which may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities and operating results of the Group are as follows:

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

(a) Goodwill impairment test

Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. The fair value of cash generating units is determined on the basis of value-in-use calculations.

The key assumptions used for the value-in-use calculations are as follows:

Growth rate (*)	4%
Discount rate (**)	17-18%

- (*) Compound annual growth rate.
(**) After tax discount rate used for cash flow estimations.

(b) Impairment on intangible assets

At each balance sheet date, the Group evaluates whether an indication of impairment exists for intangible assets. Where an indication of impairment exists; intangible assets are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the carrying amount of the asset exceeds its recoverable amount, which is the higher of asset net selling price or value in use.

The important estimates and assumptions regarding the cash flow projections prepared in TRY in the scope of the fair value studies of the website rights acquired by the Company in 2008 (Note 13) are explained below.

The EBITDA margin for the year ended 31 December 2009 is 9%. The Group estimates that the EBITDA margin will be 18% for 2010, 39% for 2013 and will increase in the following years. These rights will be fully amortized in 2023.

EBITDA has not been defined by the CMB Financial Reporting Standards or other generally accepted accounting standards. EBITDA is the earnings before interest, taxes, depreciation and amortization.

The after-tax discount rate applied for the cash flow estimations is 18%.

(c) Provisions

Provisions in the consolidated financial statements are based on Group management's best estimations.

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

(d) Carry forward tax losses

Deferred tax asset is calculated over the carry forward tax losses based on the projections of Group management (Note 27).

NOTE 3 - BUSINESS COMBINATIONS

There has occurred no business combination during the period 1 January- 31 December 2009. The details of the business combinations during the period 1 January - 31 December 2008 are as follows:

Group acquired 40.16% shares of Bağımsız Gazeteciler, which owns Vatan Gazetesi brand and its franchise right, for a consideration of USD7.228.125 and 100% shares representing the capital of Kemer Yayıncılık ve Gazetecilik A.Ş., which has a 59.84% shareholding in the share capital of Bağımsız Gazeteciler, taking into account the fact that almost all of Kemer Yayıncılık ve Gazetecilik A.Ş.'s assets are composed of its participation in Bağımsız Gazeteciler, in consideration of USD10.771.875. Total cost of acquisition is USD18.000.000.

The Group recognised goodwill for the excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities (Note 14).

The Group appointed independent valuation companies in order to determine the fair value of identifiable assets, liabilities and contingent liabilities, allocation of the purchase price and the calculation of goodwill or negative goodwill that may result in accordance with the business combination. Fair value of the brand name is calculated based on the report prepared by the independent valuation companies in accordance with IFRS 3.

Since the acquisition of Bağımsız Gazeteciler has been completed at 13 March 2008, considering that the transactions between 13 March - 31 March 2008 are not material for the consolidated financial statements, income statement of Bağımsız Gazeteciler is included in the consolidated income statement of the Group starting from 31 March 2008.

If the acquisition transaction had taken place on 1 January 2008, revenue of the Group would have been TRY357.806.794 and net loss of the Group for the year would have been TRY11.261.460.

Net assets and positive goodwill acquired from Subsidiaries are as follows:

	Bağımsız Gazeteciler
Total purchase consideration	22.206.963
Fair value of net assets acquired	(40.657.919)
Goodwill (Note 14)	62.864.882

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NOTE 3 - BUSINESS COMBINATIONS (Continued)

The fair values of acquired identifiable assets, liabilities, contingent liabilities and cost of acquisition are as follows:

	Fair value	Book value
Cash and cash equivalents	953.879	953.879
Trade receivables (net)	15.371.375	15.371.375
Due from related parties (net)	3.557.821	3.557.821
Other receivables	103.032	103.032
Inventories (net)	1.510.628	1.510.628
Non-current assets held for sale	1.086.400	1.086.400
Other current assets	1.672.464	1.672.464
Property, plant and equipment	2.193.292	2.193.292
Intangible assets	1.928.969	229.509
Deferred income tax	1.689.809	1.689.809
Trademark	57.781.640	-
Borrowings	(20.644.732)	(20.644.732)
Trade payables (net)	(3.589.063)	(3.589.063)
Other payables	(632.723)	(632.723)
Provisions	(2.082.008)	(2.082.008)
Due to related parties (net)	(88.306.480)	(88.306.480)
Other liabilities	(56.302)	(56.302)
Provision for employment termination benefits	(1.179.442)	(1.179.442)
Deferred income tax liabilities	(12.016.478)	(120.158)
Net assets acquired	(40.657.919)	(88.242.699)

Details of the cash outflow on acquisition are as follows:

Cost of acquisition	22.206.963
Cash and cash equivalents of the Subsidiary acquired	(953.879)
Cash outflow on acquisition (*)	21.253.084

(*) The unpaid amount of 31 December 2009 is TRY72.804 (31 December 2008: TRY73.124), has been classified in other current payables (Note 9).

NOTE 4 - JOINT VENTURES

The joint venture and the proportion joint management at 31 December 2009 and 2008 are as follows:

	Proportion of joint management 31 December 2009	Proportion of joint management 31 December 2008	Joint venture partner
Birey Seçme ve Değerlendirme Danışmanlık Ltd. Şti.	50	50	Doğan Portal ve Elektronik Tic. A.Ş.

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NOTE 4 - JOINT VENTURES (Continued)

The aggregate amounts of current assets, non-current assets, current liabilities, non-current liabilities of the Joint Venture included in the consolidated financial statements as of 31 December 2009 and 2008 by using the proportionate consolidation method are as follows:

Balance sheets:	31 December 2009	31 December 2008
Current assets	21.906	50.017
Non-current assets	1.586	1.586
Total assets	23.492	51.603
Current liabilities	287.618	181.281
Non-current liabilities	-	7.932
Total liabilities	287.618	189.213
Equity	(264.126)	(137.610)
Total liabilities and equity	23.492	51.603

Income and expenses of the Joint Venture for the years ended 31 December 2009 and 2008 are as follows:

Income Statements:	1 January - 31 December 2009	1 January - 31 December 2008
Gross profit	387	176.744
Marketing, selling and distribution expenses (-)	(90.740)	(165.987)
General administrative expenses (-)	(2.745)	(15.182)
Other income/(expenses), net	(8.954)	101.840
Operating income/(loss)	(102.052)	97.415
Financial income	-	44
Financial expenses (-)	(24.465)	(59.818)
Profit/(Loss) before income taxes	(126.517)	37.641
Current income tax for the period	-	-
Deferred income tax charge	-	731
Net Profit/(Loss) for the period	(126.517)	38.372

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NOTE 5 - CASH AND CASH EQUIVALENTS

The analysis of cash and cash equivalents at 31 December 2009 and 31 December 2008 is as follows:

	31 December 2009	31 December 2008
Cash	38.043	54.890
Banks		
- TRY time deposits	249.628	15.048.408
- demand deposits	898.045	1.110.878
Other liquid assets	44.819	3.380
	1.230.535	16.217.556

The maturity analysis of cash and cash equivalents at 31 December 2009 and 31 December 2008 is as follows:

	31 December 2009	31 December 2008
Demand	980.907	1.169.148
Up to 3 months	249.628	15.048.408
Total	1.230.535	16.217.556

At 31 December 2009, effective interest rate for local currency time deposits is 6,5% (31 December 2008: TRY time deposit 17,9%).

At 31 December 2009, cash and cash equivalents amounting to TRY12.046 (31 December 2008: TRY12.098) are held in blocked bank accounts as guarantees for bank borrowings.

NOTE 6 - FINANCIAL ASSETS

The analysis of financial assets at 31 December 2009 and 31 December 2008 is as follows:

Available-for-sale investments	31 December 2009		31 December 2008	
	TRY	Share capital (%)	TRY	Share capital (%)
Doğan Haber	51.590	2,65	51.590	2,65
Milliyet Verlags	17.236	17,34	17.236	17,34
Ak Enerji	477	-	477	-
Doğan Dağıtım	275	-	275	-
Doğan Dış Ticaret	4	-	4	-
D&R	3	-	3	-
Other (11 subsidiaries)	649.737		649.737	
Provision for impairment	(649.737)		(649.737)	
Total	69.585		69.585	

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NOTE 7 - BORROWINGS

The analysis of bank borrowings at 31 December 2009 and 31 December 2008 is as follows:

Short term bank borrowings:	31 December 2009	31 December 2008
Short term bank borrowings	20.014.628	1.061.081
Total	20.014.628	1.061.081

	Effective interest rate (%)		TRY	
	31 December 2009	31 December 2008	31 December 2009	31 December 2008
Short term bank borrowings				
- TRY Short term bank borrowings	14,3	-	20.014.628	1.061.081
Toplam			20.014.628	1.061.081

The contractual repricing schedule of bank borrowings at 31 December 2009 and 31 December 2008 is as follows:

	31 December 2009	31 December 2008
6 months or less	9.000.000	-
Total	9.000.000	-

As of 31 December 2009, TRY105.537 of total borrowings comprises consumer finance credits for vehicle purchase purposes (31 December 2008: TRY128.556).

The fair value of short term borrowings approximates their carrying amount.

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NOTE 8 - TRADE RECEIVABLES AND PAYABLES

The analysis of trade receivables and payables at 31 December 2009 and 31 December 2008 is as follows:

	31 December 2009	31 December 2008
Short-term trade receivables		
Trade receivables	74.398.070	68.797.001
Cheques and notes receivable	332.845	1.260.939
	74.730.915	70.057.940
Less: Unearned financial income	(296.067)	(653.421)
Less: Provision for doubtful receivables	(15.649.595)	(12.352.968)
Total	58.785.253	57.051.551

The average due date of the Group's trade receivables is 2-3 months (31 December 2008: 2-3 months). In accordance with the factoring contract signed with Doğan Factoring, trade receivable amounting to TRY52.294.152 (31 December 2008: TRY52.819.518) regarding advertisement revenues is followed by Doğan Factoring. Unearned financial income due to trade receivables regarding advertisement revenues followed by Doğan Factoring is TRY296.067 (31 December 2008: TRY653.421). Effective interest rate related with the receivables followed by Doğan Factoring is 7% (31 December 2008: 16%).

The movements in the provision for doubtful receivables for the years ended 31 December 2009 and 2008 are as follows:

	2009	2008
1 January	12.352.968	7.599.996
Business combinations	-	4.957.272
Additions during the period (Note 23)	3.680.305	1.700.114
Collections	(383.678)	(1.904.414)
31 December	15.649.595	12.352.968

Short-term trade payables	31 December 2009	31 December 200
Trade payables	8.659.476	5.476.589
Cheques and notes payable	-	176.402
	8.659.476	5.652.991

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NOTE 9 - OTHER RECEIVABLES AND PAYABLES

The analysis of other receivables and payables at 31 December 2009 and 31 December 2008 is as follows:

Other non-current receivables:

	31 December 2009	31 December 2008
Deposits and guarantees given	65.033	65.033
	65.033	65.033

Other current payables:

Taxes and funds payable	5.040.193	3.751.044
Payables to personnel	925.286	422.406
Liabilities related to business combination (Note 3)	72.804	73.124
Other	65.306	20.426
	6.103.589	4.267.000

NOTE 10 - INVENTORIES

The analysis of inventories at 31 December 2009 and 31 December 2008 is as follows:

	31 December 2009	31 December 2008
Promotion materials	7.520.517	7.399.242
Finished goods and merchandise	1.376.050	1.423.209
Raw materials and supplies	259.392	288.385
	9.155.959	9.110.836
Less: Provision for impairment on inventories	(2.712.408)	(3.467.076)
	6.443.551	5.643.760

Promotion materials are comprised of materials given together with the newspapers. Provision for impairment on inventories is related to the promotion materials.

The movement of provision for impairment of inventories during the years is as follows:

	2009	2008
1 January	3.467.076	314.112
Business combinations	-	3.113.789
(Decrease)/ increase during the period	(754.668)	39.175
31 December	2.712.408	3.467.076

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NOTE 11 - INVESTMENT PROPERTY

The movements in investment property during the periods ended 31 December 2009 and 2008 are as follows.

	1 January 2009	Additions	Disposals	Provision for impairment	Reversal of impairment	31 December 2009
Cost	14.856.565	8.437.933 (*)	(2.304.100)	(63.809)	239.038	21.165.627
Accumulated depreciation	8.028.937	257.685	(35.142)	-	-	8.251.480
Net book value	6.827.628					12.914.147

	1 January 2008	Additions	Disposals	Provision for impairment	Reversal of impairment	31 December 2008
Cost	15.076.119	1.759.763	(1.507.584)	(471.733)	-	14.856.565
Accumulated depreciation	8.347.126	543.115	(861.304)	-	-	8.028.937
Net book value	6.728.993					6.827.628

TRY3.100.882 of the investment property comprise properties acquired by the Group in accordance with barter agreements, and TRY9.813.265 comprise leased buildings.

The fair value of the investment properties as of 31 December 2009 was determined as TRY32.190.903 (31 December 2008: TRY22.768.739). The fair value has been calculated by the Group management by using the monthly rental amounts determined by two different valuation companies with the rental amount comparison method. The rent income from the buildings leased in 2009 is TRY1.986.358 (2008: TRY1.632.306).

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NOTE 12 - PROPERTY, PLANT AND EQUIPMENT

The movements in property, plant and equipment during the periods ended 31 December 2009 and 2008 are as follows.

	1 January 2009	Business combinations	Additions	Disposals	31 December 2009
Cost					
Land and land improvements	1.538.814	-	-	-	1.538.814
Buildings	26.096.010	-	-	-	26.096.010
Machinery and equipment	22.048.468	-	473.032	(30.191)	22.491.309
Motor vehicles	1.337.299	-	-	(387.577)	949.722
Furniture and fixture	26.185.151	-	881.919	-	27.067.070
Leasehold improvements	1.820.400	-	117.831	-	1.938.231
	79.026.142	-	1.472.782	(417.768)	80.081.156
Accumulated depreciation					
Land and land improvements	1.318.521	-	22.687	-	1.341.208
Buildings	7.840.479	-	529.241	-	8.369.720
Machinery and equipment	20.482.841	-	344.353	(30.191)	20.797.003
Motor vehicles	695.106	-	236.647	(345.051)	586.702
Furniture and fixture	21.579.709	-	1.959.383	-	23.539.092
Leasehold improvements	1.079.677	-	270.917	-	1.350.594
	52.996.333	-	3.363.228	(375.242)	55.984.319
Net book value	26.029.809				24.096.837

As of 31 December 2009, there are no collateral and mortgage on property, plant and equipment (31 December 2008: None). TRY4.058.193 (31 December 2008: TRY3.941.6409) of depreciation expense was included in cost of sales and TRY3.380.851 (31 December 2008: TRY3.766.925) was included in operating expenses.

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NOTE 12 - PROPERTY, PLANT AND EQUIPMENT (Continued)

	1 January 2008	Business combinations	Disposal of subsidiary (Note 1)	Additions	Disposals	31 December 2008
Cost						
Land and land improvements	1.488.784	-	-	50.030	-	1.538.814
Buildings	26.548.449	5.000	-	-	(457.439)	26.096.010
Machinery and equipment	22.088.760	-	(88.424)	268.812	(220.680)	22.048.468
Motor vehicles	1.100.447	416.164	-	120.587	(299.899)	1.337.299
Furniture and fixture	26.048.695	1.038.875	-	1.577.557	(2.479.976)	26.185.151
Leasehold improvements	928.550	733.254	-	158.596	-	1.820.400
	78.203.685	2.193.293	(88.424)	2.175.582	(3.457.994)	79.026.142
Accumulated depreciation						
Land and land improvements	1.295.439	-	-	23.082	-	1.318.521
Buildings	7.566.608	-	-	533.779	(259.908)	7.840.479
Machinery and equipment	20.392.624	-	(74.262)	385.158	(220.680)	20.482.840
Motor vehicles	497.155	-	-	412.489	(214.537)	695.107
Furniture and fixture	21.715.277	-	-	2.182.176	(2.317.744)	21.579.709
Leasehold improvements	871.807	-	-	207.870	-	1.079.677
	52.338.910	-	(74.262)	3.744.554	(3.012.869)	52.996.333
Net book value	25.864.775					26.029.809

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NOTE 13 - INTANGIBLE ASSETS

The movements in intangible assets during the periods ended 31 December 2009 and 2008 are as follows.

	1 January 2009	Business combinations	Additions	Disposals	31 December 2009
Cost					
Rights	22.211.092	-	99.775	-	22.310.867
Trademark	57.781.640	-	-	-	57.781.640
Other intangible assets	2.760.692	-	29.984	-	2.790.676
	82.753.424	-	129.759	-	82.883.183
Accumulated amortisation					
Rights	3.714.864	-	1.261.693	-	4.976.557
Trademark	1.926.055	-	2.345.275	-	4.271.330
Other intangible assets	2.379.081	-	211.163	-	2.590.244
	8.020.000	-	3.818.131	-	11.838.131
Net book value	74.733.424				71.045.052
	1 January 2008	Business combinations	Additions	Disposals	31 December 2008
Cost					
Rights	3.209.016	1.703.214	17.440.655 (1)	(141.793)	22.211.092
Trademark	-	57.781.640	-	-	57.781.640
Other intangible assets	2.299.023	225.756	235.913	-	2.760.692
	5.508.039	59.710.610	17.676.568	(141.793)	82.753.424
Accumulated amortisation					
Rights	2.459.491	-	1.268.924	(13.551)	3.714.864
Trademark	-	-	1.926.055	-	1.926.055
Other intangible assets	2.153.165	-	225.916	-	2.379.081
	4.612.656	-	3.420.895	(13.551)	8.020.000
Net book value	895.383				74.733.424

- (1) TRY17.400.000 of the additions is related to the rights of the web site purchased from related parties. Purchase price is based on the report of independent valuer (Note 29).

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NOTE 14 - GOODWILL

The movements in goodwill during the periods ended 31 December 2009 and 2008 are as follows.

	2009	2008
1 January	113.857.178	60.428.513
Additions (Note 3) (1)	-	62.864.882
Diminution in carrying amount of goodwill (2)	-	(9.436.217)
31 December	113.857.178	113.857.178

Goodwill as of 1 January 2008 consists of the acquisition premium amounting TRY66.526.804 arising from the complete purchase of assets and liabilities of Simge Yayıncılık A.Ş. by the Group on 31 December 2003.

- (1) Group acquired 99,99% shares of Bağımsız Gazeteciler for a consideration of TRY22.206.963. The Group recognised goodwill amounting to TRY62.864.882 for the excess of the consideration paid over the Group’s interest in the fair value of the net assets of Bağımsız Gazetecilik.
- (2) On 31 December 2008, the Group recognised deferred tax assets arising from unused tax losses, in the amount of TRY9.436.217, that were not previously recognised as identifiable asset since required conditions were not fulfilled during the purchase of Bağımsız Gazeteciler, in the scope of the IFRS 3 “Business Combinations” and decreased the carrying amount of the goodwill in the same amount. Both transactions were reflected in the income statement as income and expense, and they have no impact on loss for the period (Notes 23, 27).

NOTE 15 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

The analysis of provisions, contingent assets and liabilities at 31 December 2009 and 31 December 2008 is as follows:

i. Short term provisions

	31 December 2009	31 December 2008
Provision for lawsuits	2.820.844	2.701.324
Other	20.444	226.943
	2.841.288	2.928.267

Movements of the “provision for lawsuits” during the periods are as follows:

	2009	2008
1 January	2.701.324	1.446.830
Business combinations	-	1.766.592
Increase / (decrease) during the period	119.520	(512.098)
31 December	2.820.844	2.701.324

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

ii. Lawsuits

The nature and amount of the litigations against the Group at 31 December 2009 and 2008 are as follows:

	31 December 2009	31 December 2008
Legal cases	16.810.105	35.401.263
Commercial cases	1.588.483	967.986
Administrative cases	1.454.330	979.292
Business lawsuits	1.303.457	827.708
Cancellation of appeal	47.537	47.536
	21.203.912	38.223.785

As of 31 December 2009, the provision for lawsuits amounting to TRY2.820.844 (31 December 2008: TRY2.701.324) has been set aside with reference to the opinions of the Group's lawyers and past experiences of management related to similar litigations against the Group.

iii. Tax penalty

The Group was subject to a tax penalty amounting to TRY948.012, related to the interest expenses incurred during the purchase of subsidiary and VAT amounts in the interest invoices, with respect to the 2003 accounting period. Group management objected to the tax principal and fine amount and filed a lawsuit in the tax court. The management did not set aside any provision related to the issue in this consolidated financial statements in line with the counsel of the group legal consultant.

iv. Purchase of Bağımsız Gazetecilik

Group acquired 40,16% shares of Bağımsız Gazeteciler, which owns the brand name of Vatan Gazetesi and its franchise right, in consideration of USD7.228.125 and 100% shares representing the capital of Kemer Yayıncılık ve Gazetecilik A.Ş., which has a 59,84% shareholding in the share capital of Bağımsız Gazeteciler, taking into account the fact that almost all of Kemer Yayıncılık ve Gazetecilik A.Ş.'s assets are composed of its participation in Bağımsız Gazeteciler, in consideration of USD10.771.875.

The Competition Authority permitted the transaction via its decision taken on 10 March 2008 following the application made to the Competition Board regarding the above mentioned transactions, provided that:

- following two years after obtainment of permission, brand name Vatan Gazetesi and franchise rights will be transferred by releasing them of any obligations and debts, to persons or entities excluding Doğan Group, or an enterprise Doğan Group directly or indirectly controls (which has already been established, or which is to be established), and the relevant transfer is subject to approval of Competition Authority regardless of the deficiencies in the Communiqué No.1997/1;

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

- if the brand Vatan Gazetesi and its franchise right cannot be sold under the above-mentioned conditions within two years from the date on which the permission is given, the brand and franchise right will be sold via tender under the supervision of Competition Authority within two months from the end of the second year;
- if the brand and franchise right cannot be sold during this tender process, Doğan Group continues to own the brand Vatan Gazetesi and its franchise right for three years following the tender; Doğan Group meets the liabilities necessary for the brand's legal existence; Doğan Group does not use the said brand name and franchise on any periodicals; Doğan Group evaluates any demands or requests as being subject to the approval of Competition Board pursuant to this decision in the case of any demand towards the said brand and franchise right during the relevant period; and Doğan Group possesses all kinds of usage rights on the brand, if the brand and franchise right cannot be still sold after this period expires.

Subsequent to the decision of the Competition Authority dated 26 September 2008 regarding the permission to purchase within stated terms being received by the Company, a lawsuit was filed with the Council of State, demanding a stay of execution of the terms stated in the decision. On 13 February 2009, the Council of State ruled for a stay of execution of the terms, subject to lawsuit and included in the decision of the Competition Authority dated 10 March 2008. Accordingly, the part of the Competition Authority decision related to the purchase of Bağımsız Gazeteciler and Kemer Yayıncılık shares by Doğan Gazetecilik A.Ş. is effective, and the stay of execution only applies to the terms included in the decision, which are subject to the lawsuit. Appeal of the Competition Authority for the stay of execution is rejected with the decision of the Plenary Session of the Administrative Law Divisions on 16 September 2009.

NOTE 16 - COMMITMENTS

i. Letter of guarantees and guarantee notes given

Collaterals, pledges and mortgages (CPM) given by the Group at 31 December 2009 and 2008 are as follows:

	31 December 2009	31 December 2008
A. Total amount of the CPM given for its own legal entity (1)	7.167.943	5.619.184
B. CPM given on behalf of fully consolidated companies	79.250	-
C. CPM given on behalf of the third parties' debt for the continuation of their economic activities	-	-
D. Total amount of other CPM		
i. Given on behalf of majority shareholder	-	-
ii. Given on behalf of other group companies which are not in the scope of B and C	-	-
iii. Given on behalf of third parties which are not in scope of C	-	-
Total	7.247.193	5.619.184

- (1) Collaterals, pledges and mortgages are given to executive offices, courts, customs offices, the National Lottery.

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NOTE 16 - COMMITMENTS (Continued)

ii. Barter agreements

The Group, as a common practice in the media sector, has entered into barter agreements which involve the exchange of goods or services without cash collections or payments. In connection with the barter agreements as of 31 December 2009, the Group is under obligation to provide advertisement services to Group and non-group companies amounting to TRY9.437.489 (31 December 2008: TRY6.130.228) and TRY1.498.159 respectively (31 December 2008: TRY983.007). The Group has the right to purchase various types of goods and render services amounting to TRY11.012.5968 (31 December 2008: TRY8.908.513) regarding barter agreements, including purchase right from related parties amounting to TRY4.750.354 (31 December 2008: TRY2.644.457).

NOTE 17 - PROVISION FOR EMPLOYMENT TERMINATION BENEFITS

	31 December 2009	31 December 2008
Provision for employment termination benefits	7.669.281	5.292.537

Under the Turkish Labour Law, the Group is required to pay termination benefits to each employee who has completed one year of service and who achieves the retirement age (58 for women and 60 for men) and whose employment is terminated without due cause, is called up for military service, or dies. Since the legislation was changed on 23 May 2002 there are certain transitional provisions relating to length of service prior to retirement.

At 31 December 2009 the amount payable consists of one month's salary limited to a maximum of TRY2.365,16 (31 December 2008: TRY2.173,19) for each year of service.

In addition, according to press sector regulations, companies should make payments to personnel who work for a minimum of 5 years and whose employment is terminated without due cause. The maximum payable amount is 30 days' salary for each year of service. The monthly salary figure is calculated by adding all cash and non-cash payments received during the year and dividing by twelve.

The liability is not funded, as there is no funding requirement.

Provision for employment termination benefits is calculated by estimating the present value of the future probable obligation arising from the retirement of the employees of the Group.

Accounting Standards specified in Note 2 require actuarial valuation methods to be developed to estimate the enterprise's obligation under defined benefit plans. Accordingly the following actuarial assumptions were used in the calculation of the total provision:

	31 December 2009	31 December 2008
Discount rate (%)	5,92	6,26
Turnover rate to estimate the probability of retirement (%)	93	93

The principal assumption is that the maximum liability for each year of service will increase in line with inflation. Thus, the discount rate applied represents the expected real rate after adjusting for the anticipated effects of future inflation. As the maximum liability is revised semi-annually, the maximum amount of TRY2.427,04 effective from 1 January 2010 (1 January 2009: TRY2.260,05) has been taken into consideration in calculating the reserve for employment termination benefit of the Group.

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NOTE 17 - PROVISION FOR EMPLOYMENT TERMINATION BENEFITS (Continued)

Movements in the provision for employment termination benefits for the years ended 31 December 2009 and 2008 are as follows:

	2009	2008
1 January	5.292.537	3.697.931
Business combinations	-	1.179.442
Increase during the period	4.171.585	3.341.189
Increase during the period	(2.157.492)	(2.768.912)
Actuarial gain/loss	362.651	(157.113)
31 December	7.669.281	5.292.537

NOTE 18 - OTHER ASSETS AND LIABILITIES

The analysis of other assets and liabilities at 31 December 2009 and 31 December 2008 is as follows:

i. Other current assets:

	31 December 2009	31 December 2008
Deferred VAT and other tax receivables	5.907.395	1.967.320
Prepaid expenses	2.703.585	2.836.479
Personnel advances	1.962.424	1.408.940
Job advances	415.764	389.993
Prepaid taxes and funds	268.551	824.957
Income accruals	40.344	71.080
Advances given for the purchase of raw materials	1.558.862	-
	12.856.925	7.498.769
Provision for diminution in value	(660.893)	(660.893)
	12.196.032	6.837.876

ii. Other non-current assets:

	31 December 2009	31 December 2008
Deferred VAT and other tax receivables	4.561.227	3.733.915
	4.561.227	3.733.915

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NOTE 18 - OTHER ASSETS AND LIABILITIES (Continued)

Provision for diminution in value is related to the prepaid expenses.

iii. Other current liabilities:

	31 December 2009	31 December 2008
Tax penalty liability (*)	8.833.140	-
Unused vacation liability	2.553.169	1.420.754
Deferred revenue	1.997.975	3.696.814
Provisions for promotion stocks	1.785.818	502.195
Tax Liability	26.437	-
	15.196.539	5.619.763

(*) This liability is related to the original tax amount, tax penalty and late payment interest, amounting to TRY8.833.140 based on the negotiations for the original tax, tax loss penalty and special penalty of irregularity notified as a result of the tax inspection performed in the Group for the fiscal years 2004, 2005, 2006 and 2007. This obligation was paid on 11 January 2010.

NOTE 19 - EQUITY

Doğan Gazetecilik A.Ş.’s shareholders and shareholding structure at 31 December 2009 and 2008 are as follows:

Shareholders	31 December 2009		31 December 2008	
	TRY	Share %	TRY	Share %
Doğan Yayın Holding A.Ş.	74.300.205	70,76	74.147.743	70,62
Public offering	30.151.167	28,72	30.303.629	28,86
Other	548.628	0,52	548.628	0,52
	105.000.000	100,00	105.000.000	100,00
Adjustment to share capital	45.910.057		45.910.057	
Paid in capital	150.910.057		150.910.057	

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NOTE 19 - EQUITY (Continued)

The total authorised number of ordinary shares is 105.000.000 (31 December 2008: 100.000.000) with a par value of TRY1 per share (31 December 2008: TRY1). All issued shares are fully paid.

Doğan Yayın Holding A.Ş. owns 12,67% of shares offered to the public as of 31 December 2009 (31 December 2008: 12,53%).

Due to tax principal and tax penalty notices communicated by the related tax office, the shares that Doğan Yayın Holding A.Ş. possesses in the Doğan Gazetecilik A.Ş.'s share capital and which represent 70,76% of the share capital of Doğan Gazetecilik A.Ş. included in the export/investment accounts of the Central Registry Institution and Intermediary Institution were immobilised and their transfer has been restricted. In the public announcement of Doğan Yayın Holding, dated 1 February 2010, it was mentioned that a significant portion of the lawsuits filed for the aforementioned tax amounts and notices have been finalised in favour of Doğan Yayın Holding. Since it is thought that the amount of sequestration exceeds the total public receivable accrued, Doğan Yayın Holding expects that the sequestration exceeding the public receivable will be removed after the assessment of the related tax office.

22.000.000 units of shares with a nominal value of TRY1, corresponding to 22% of the Company Capital were allocated to Deutsche Bank AG by Deutsche Securities Menkul Degerler A.Ş. with the transaction in ISE wholesales market on 19 November 2007, through restricting new share purchase completely, each share with TRY1 nominal value having the price of USD4,0 (TRY4,73). Share premium arising in the amount of TRY82.060.000 was recognized in the equity capital.

Adjustment to share capital represents the restatement effect of cash contributions to share capital at year-end equivalent purchasing power.

The legal reserves consist of first and second reserves, appropriated in accordance with the Turkish Commercial Code (TCC). The TCC stipulates that the first legal reserve is appropriated out of statutory profits at the rate of 5% per annum, until the total reserve reaches 20% of the Company's paid-in share capital. The second legal reserve is appropriated at the rate of 10% per annum of all cash distributions in excess of 5% of the paid-in share capital. Under the TCC, the legal reserves can only be used to offset losses and are not available for any other usage unless they exceed 50% of paid-in share capital.

The aforementioned amounts shall be classified in "Restricted Reserves" in accordance with CMB Financial Reporting Standards. Restricted reserves of the Company amounts to TRY20.120.447 as of 31 December 2009 (31 December 2008: TRY8.904.299).

In accordance with the CMB regulations effective until 1 January 2008, the inflation adjustment differences arising at the initial application of inflation accounting which are recorded under "accumulated losses" could be netted off from the profit to be distributed based on CMB profit distribution regulations. In addition, the aforementioned amount recorded under "accumulated losses" could be netted off with net income for the period, if any, undistributed prior period profits, and inflation adjustment differences of extraordinary reserves, legal reserves and capital, respectively.

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NOTE 19 - EQUITY (Continued)

In addition, in accordance with the CMB regulations effective until 1 January 2008, "Capital, Share Premiums, Legal Reserves, Special Reserves and Extraordinary Reserves" were recorded at their statutory carrying amounts and the inflation adjustment differences related to such accounts were recorded under "inflation adjustment differences" at the initial application of inflation accounting. "Equity inflation adjustment differences" could have been utilised only in issuing bonus shares and offsetting accumulated losses, carrying amount of extraordinary reserves could have been utilised in issuing bonus shares, cash dividend distribution and offsetting accumulated losses.

In accordance with the Communiqué No:XI-29 and related announcements of CMB, effective from 1 January 2008, "Share capital", "Restricted Reserves" and "Share Premiums" shall be carried at their statutory amounts. The valuation differences arising due to implementing the communiqué (such as inflation adjustment differences) shall be disclosed as follows:

- if the difference is arising due to the inflation adjustment of "Paid-in Capital" and not yet been transferred to capital should be classified under the "Inflation Adjustment To Share Capital";
- if the difference is due to the inflation adjustment of "Restricted Reserves" and "Share Premium" and the amount has not been utilised in dividend distribution or capital increase yet, it shall be classified under "Retained Earnings".

Other equity items shall be carried at the amounts calculated based on CMB Financial Reporting Standards.

Capital adjustment differences have no other use other than being transferred to share capital.

Quoted companies are subject to dividend requirements regulated by CMB as follows:

Dividend payment:

Based on CMB Decree No. 02/51, dated 27 January 2010, there is no mandatory minimum profit distribution requirement for the quoted entities at the stock exchange for profits arising from operations in 2009. Regarding the dividend distribution for the current and following years, the entities are to distribute their profits for the current and following years under the scope of CMB Communiqué No. IV-27, their articles of association and their previously publicly declared profit distribution policies. In regards to the profit distribution, in accordance with the decision of the General Assembly, the distribution can be made as cash or as bonus shares or as a combination of a certain percentage of cash and bonus shares. It is also permitted to retain this amount in the Company reserves if the first dividend amount is below 5% of the paid in/issued capital; however if the Company has increased its paid-in capital without dividend distribution in the previous year when the outstanding shares have been identified as "old" and "new", it is mandatory for companies that will make profit distribution from the net distributable profit of the previous year to make this first dividend distribution in cash.

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NOTE 20 - SALES AND COST OF SALES

	31 December 2009	31 December 2008
Domestic sales	350.364.286	339.834.266
Foreign sales	-	1.518.835
Sales income, net	350.364.286	341.353.101
Cost of sales	(230.045.787)	(231.754.513)
Gross profit	120.318.499	109.598.588

The details of sales income and cost of sales for the years ended 31 December 2009 and 2008 are as follows:

Sales income

	31 December 2009	31 December 2008
Advertising income	178.265.404	209.206.662
Newspaper sales income	167.587.114	126.396.588
Other income	4.511.768	5.749.851
Sales income, net	350.364.286	341.353.101

Cost of sales

	31 December 2009	31 December 2008
Raw material costs	113.491.602	121.590.529
Printing costs	33.837.704	31.521.961
News production costs	32.243.865	33.250.633
Payroll costs	31.760.156	23.751.779
Depreciation and amortization expenses	4.058.193	3.941.640
Other	14.654.267	17.697.971
	230.045.787	231.754.513

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**NOTE 21 - RESEARCH AND DEVELOPMENT EXPENSES, MARKETING, SELLING AND
DISTRIBUTION EXPENSES, GENERAL ADMINISTRATIVE EXPENSES**

Marketing, sales and distribution expenses

	31 December 2009	31 December 2008
Advertisement expenses	26.966.449	26.073.464
Distribution expenses	20.819.785	25.417.879
Personnel expenses	17.321.004	19.808.315
Promotion expenses	16.343.028	11.735.182
Presentation and marketing expenses	4.786.047	3.866.023
Travel expenses	1.197.436	1.531.928
Sponsorship expenses	856.703	1.043.697
Communication expenses	595.895	720.094
Consulting expenses	430.660	745.510
Commission expense	287.889	822.277
Depreciation and amortization expenses	247.398	663.496
Internet expense	46.563	18.178
Packaging expense	41.796	137.768
Other	5.597.782	3.652.791
	95.538.435	96.236.602

General administrative expenses:

	31 December 2009	31 Aralık 2008
Personnel expenses	13.859.157	13.509.423
Consulting expenses	4.067.876	3.909.053
Depreciation and amortization expenses	3.133.453	3.103.429
Rent expenses	702.209	455.694
Transportation expenses	583.622	606.865
Legal expenses	504.762	498.452
Travel expenses	387.805	200.203
Cleaning expense	371.357	404.255
Electricity expense	365.843	333.191
Taxes and funds expenses	360.460	249.247
Communication expenses	342.884	562.743
Maintenance expenses	240.115	284.572
Other	2.302.110	1.289.295
	27.221.653	25.406.422

NOTE 22 - EXPENSES BY NATURE

As of 31 December 2009 and 2008, expenses are disclosed by function and the analysis of the expenses is summarized in Note 20 and Note 21.

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NOTE 23 - OTHER OPERATING INCOME/(EXPENSES)

The details of other operating income and expense for the years ended 31 December 2009 and 2008 are as follows:

i. Other operating income:	31 December 2009	31 December 2008
Rent income	2.052.916	1.838.607
Provision reversal	1.993.625	1.490.612
Gain on sale of property, plant and equipment, intangible assets and investment property	95.414	1.212.650
Gain on disposal of a subsidiary (Note 1)	-	3.185.528
Other	521.154	713.322
	4.663.109	8.440.719
ii. Other operating expenses:	31 December 2009	31 December 2008
Negotiated tax penalty (Note 18)	(8.833.140)	-
Provision for doubtful receivables	(3.680.305)	(1.700.114)
Provision for lawsuits	(510.451)	-
Loss on sale of property, plant and equipment, intangible assets and investment property	(193.549)	-
Provision for impairment on investment property (Note 11)	(63.809)	(471.733)
Diminution in carrying amount of goodwill (Note 14)	-	(9.436.217)
Other	(981.420)	(1.019.541)
	(14.262.674)	(12.627.605)

NOTE 24 - FINANCIAL INCOME

The details of financial income for the years ended 31 December 2009 and 2008 are as follows:

	31 December 2009	31 December 2008
Financial income from sales	2.391.614	5.635.843
Foreign exchange gains	1.077.709	8.822.163
Interest income	857.947	5.383.150
	4.327.270	19.841.156

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NOTE 25 - FINANCIAL EXPENSES

The details of financial expenses for the years ended 31 December 2009 and 2008 are as follows:

	31 December 2009	31 December 2008
Interest expenses	(4.643.817)	(111.271)
Foreign exchange losses	(2.033.787)	(9.072.066)
Factoring expenses	(682.208)	(608.963)
Financial expense from purchases, net	(682.139)	(1.368.162)
Other financial expenses	-	(1.045.510)
Bank commissions	(660.829)	(609.358)
	(8.702.780)	(12.815.330)

NOTE 26 - NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

As of 31 December 2009, there is no asset held for sale (31 December 2008: a duplex house TRY775.200).

NOTE 27 - CURRENT AND DEFERRED INCOME TAXES

	31 December 2009	31 December 2008
Corporation and income taxes payable	2.275.801	3.039.626
Less: Prepaid taxes	(2.544.352)	(3.864.583)
Prepaid tax (Note 18)	(268.551)	(824.957)

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

Corporate Income Tax Law numbered 5520 was published in the official gazette numbered dated 13 September 2006 and most clauses has come into effect from 1 January 2006 .The corporation tax rate of the fiscal year 2009 is 20% (2008: 20%). Corporation tax is payable at a rate of 20% on the total income of the Company after adjusting for certain disallowable expenses, exempt income and allowances. No further tax is payable unless the profit is distributed (except withholding tax at the rate of 19.8% on the investment incentive allowance utilized within the scope of the Income Tax Law transitional article 61).

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NOTE 27 - CURRENT AND DEFERRED INCOME TAXES (Continued)

Dividends paid to non-resident corporations which have a place of business in Turkey or resident corporations are not subject to withholding tax. Otherwise dividends paid are subject to withholding tax at the rate of 15%. An increase in capital via issuing bonus shares is not considered as a profit distribution and thus does not incur withholding tax.

Corporations are required to pay advance corporation tax quarterly at the rate of 20% (31 December 2008: 20%) on their corporate income. Advance tax is to be declared by the 14th day of the second month following each calendar quarter end and is payable by the 17th of the second month following each calendar quarter end. Advance tax paid by corporations is credited against the annual corporation tax liability. The balance of the advance tax paid may be refunded or used to be set off against other liabilities to the government.

In accordance with Tax Law No.5024 “Law Related to Changes in Tax Procedural Law, Income Tax Law and Corporate Tax Law” that was published on the Official Gazette on 30 December 2003 to amend the tax base for non-monetary assets and liabilities effective from 1 January 2004 income and corporate taxpayers will prepare the statutory financial statements by adjusting the non-monetary assets and liabilities for the changes in the general purchasing power of the Turkish lira. In accordance with the aforementioned laws’ provisions, in order to apply inflation adjustment the cumulative inflation rate (SIS-WPI) over the last 36 months and 12 months must exceed 100% and 10% respectively. Inflation adjustment has not been applied as these conditions were not fulfilled since 1 January 2005.

In Turkey there is no procedure for a final and definitive agreement on tax assessments. Companies file their tax returns within the 25th of the fourth month following the close of the financial year to which they relate.

Tax returns are open for 5 years from the beginning of the year that follows the date of filing during which time the tax authorities have the right to audit tax returns, and the related accounting records on which they are based, and may issue re-assessments based on their findings.

Under the Turkish taxation system tax losses can be carried forward to offset against future taxable income for up to 5 years. Tax losses can not be carried back to offset profits from previous periods.

There are numerous exemptions in the Corporate Tax Law concerning the corporations. Those related to the Group are as follows:

Exemption for participation in domestic subsidiaries:

Dividends obtained from Turkish resident corporations and dividends received by founders’ shares and bonus shares (dividends from investment fund participation certificates are excluded), and investment partnership shares are exempt from corporate tax.

Exemption for share premium:

Profits from the sale of preferential right certificates and share premiums generated from the sale of shares at a price exceeding face values of those shares during incorporations or capital increases of joint stock companies are exempt from corporate tax.

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NOTE 27 - CURRENT AND DEFERRED INCOME TAXES (Continued)

Exemption of participation in foreign subsidiaries:

The participation income of corporations participating in 10% or more of the capital of a limited liability or joint stock company which does not have its legal or business centre in Turkey (except for corporations whose principal activity is financial leasing or investment of marketable securities) for at least one continuous years until the date of the income is generated and transferred to Turkey until the date of the filing of the corporate income tax return of the fiscal year in which the income is generated is exempt from corporation tax subject to those subsidiaries are subject to corporate income tax, or alike, in their country of legal or business centre at the rate of at least 15% (at corporate income tax rate applicable in Turkey for those companies whose principal activity is financial assurance or insurance).

A 75% portion of the gains derived from the sale of preferential rights, usufruct shares and founding shares from investment equity and real property which has remained in assets for more than two full years are exempt from corporate tax. To be entitled to the exemption, the relevant gain is required to be held in a fund account in the liabilities and it must not be withdrawn from the entity for a period of 5 years. The sales consideration has to be collected up until the end of the second calendar year following the year the sale was realized.

In additions to exemptions explained above, tax deductions specified in Corporation Tax Law Articles 8, 9, 10, and Income Tax Law article 40, are also considered in the assessment of the corporate tax base.

The taxes on income for the years ended 31 December 2009 and 2008 is summarized as follows:

	31 December 2009	31 December 2008
- Current year corporate tax	(2.275.801)	(3.039.626)
- Deferred tax income	2.569.202	11.515.736
Total tax income	293.401	8.476.110

The reconciliation of the taxation on income in the consolidated statement of income for the years ended 31 December 2009 and 2008 and the taxation on income calculated with the current tax rate over income from continuing operations before tax is as follows:

	31 December 2009	31 December 2008
Loss before income taxes	(16.416.664)	(9.205.496)
20% provision for corporate tax calculated by effective tax rate	3.139.680	1.841.099
Effects of carry forward tax losses over which deferred tax asset is net recognized	(299.770)	-
Income not subject to tax	237.346	892.100
The effects of carry forward tax losses	-	9.436.217
Expenses not deductible for tax purposes	(2.553.497)	(3.177.712)
Other	(230.358)	(515.594)
Total	293.401	8.476.110

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NOTE 27 - CURRENT AND DEFERRED INCOME TAXES (Continued))

Deferred taxes

The Group recognizes deferred income tax assets and liabilities based upon temporary differences arising between their financial statements as reported under CMB Financial Reporting Standards and their statutory tax financial statements. These differences usually result in the recognition of revenue and expenses in different reporting periods for CMB Financial Reporting Standards and tax purposes.

Deferred income taxes are calculated on temporary differences that are expected to be realized or settled based on the taxable income in coming years under the liability method using a principal tax rate of 20% (31 December 2008: 20%).

The temporary differences giving rise to deferred income tax assets/(liabilities) using the enacted tax rates as of 31 December 2009 and 31 December 2008 are as follows:

	Temporary differences		Deferred Tax assets/(liabilities)	
	2009	2008	2009	2008
Carry forward tax losses (1)	79.937.691	88.505.726	11.813.665	11.512.757
Provision for employment termination benefits	7.669.281	5.292.537	1.533.856	1.058.507
Provision for doubtful receivables	5.153.821	4.818.995	1.030.764	963.799
Deductable income tax withholding	3.730.000	-	746.000	-
Provision for impairment on inventories	2.712.408	3.467.076	542.482	693.415
Unused vacation liability	2.553.169	1.420.754	510.634	284.151
Provision for promotion stocks	1.785.818	502.195	357.164	100.439
Provision for lawsuits	1.592.567	1.550.225	318.513	310.045
Other provisions	660.893	660.893	132.179	132.179
Unearned financial income	296.067	653.421	59.213	130.684
Deferred tax assets			17.044.470	15.185.976
Difference between the tax base and carrying value of property, plant and equipment and intangible assets	(53.005.377)	(56.417.634)	(10.601.075)	(11.283.527)
Unearned financial expenses	(119.236)	(260.524)	(23.849)	(52.105)
Deferred tax liabilities			(10.624.924)	(11.335.632)
Deferred tax assets, net			6.419.546	3.850.344

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NOTE 27 - CURRENT AND DEFERRED INCOME TAXES (Continued)

Deferred tax assets:	31 December 2009	31 December 2008
To be recovered after one year	12.053.166	12.571.264
To be recovered within one year	4.991.304	2.614.712
Total	17.044.470	15.185.976
Deferred tax liabilities:	31 Aralık 2009	31 Aralık 2008
To be recovered after one year	(9.918.625)	(11.283.527)
To be recovered within one year	(706.299)	(52.105)
Total	(10.624.924)	(11.335.632)

- (1) Deferred income tax assets are recognized for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized. As of 31 December 2009, carry forward tax losses for which deferred income tax asset was recognized amounted to TRY59.068.325 (31 December 2008: TRY57.563.784). As of 31 December 2009, total amount of carry forward tax losses is TRY79.937.691 (31 December 2008: TRY 88.505.726).

The maturity analysis of carry forward tax losses is as follows:

	31 December 2009	31 December 2008
2010	6.468.966	8.736.957
2011	10.191.355	15.452.518
2012	13.612.629	13.712.115
2013	19.597.492	19.662.194
2014	9.197.883	-
Total	59.068.325	57.563.784

The movements in deferred income tax assets/(liabilities) for the years ended 31 December 2009 and 2008 are as follows:

	2009	2008
1 January	3.850.344	2.661.277
Business combinations	-	(10.326.669)
Deferred tax income	2.569.202	11.515.736
31 December	6.419.546	3.850.344

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NOTE 28 - EARNINGS / (LOSS) PER SHARE

(Loss)/earnings per share for each class of shares disclosed in the consolidated statements of income is determined by dividing the net (loss)/income by the weighted average number of shares of that class that have been outstanding during the year.

	31 December 2009	31 December 2008
Net income/(loss) for the period	(16.255.344)	(753.288)
Weighted average number of shares with face value of TRY1 each	105.000.000	105.000.000
Earnings / (loss) per share (Kr1)	(15,5)	(0,7)

NOTE 29 - TRANSACTIONS AND BALANCES WITH RELATED PARTIES

A summary of the balances and transactions with related parties for the years ended 31 December 2009 and 2008 is disclosed below:

a) Due from related parties:

	31 December 2009	31 December 2008
Medyanet İletişim Reklam Paz. Turizm A.Ş. ("Medyanet")	8.142.990	4.242.416
Doğan Dağıtım Satış ve Pazarlama A.Ş. ("Doğan Dağıtım")	3.580.942	5.424.138
Vatan Dergi Grubu A.Ş.	2.634.534	1.888.754
Doğan TV Holding A.Ş. ("Doğan TV")	1.191.740	438.095
Vatan Imako Medya Yayıncılık A.Ş. ("Vatan Imako")	941.905	992.141
Milliyet Verlags und Handels GmbH ("Milliyet Verlags")	330.186	252.012
Birey İK	264.590	138.748
Other	918.965	1.354.520
Total	18.005.852	14.730.824

b) Due to related parties:

	31 December 2009	31 December 2008
DTV Haber ve Görsel Yayıncılık A.Ş. ("Kanal D")	13.252.988	6.130.228
Hürriyet Gazetecilik ve Matbaacılık A.Ş. ("Hürriyet")	10.747.754	12.387.407
İşıl İthalat ve İhracat Mümessillik A.Ş. ("İşıl İthalat İhracat")	10.127.232	31.196.596
Doğan Dış Ticaret ("Dış Ticaret")	4.394.709	5.953.046
Doğan Faktoring Hizmetler A.Ş. ("Doğan Faktoring")	2.042.953	6.512.272
Doğan Yayın Holding A.Ş. ("Yayın Holding")	1.019.175	881.744
Doğan İletişim Elektronik Servis Hizmetleri ve Yayıncılık A.Ş. ("Doğan Online")	828.911	-
Doğan Ofset Yayıncılık ve Matbaacılık A.Ş. ("Doğan Ofset")	748.534	410.449
Milta Turizm İşletmeleri A.Ş. ("Milta Turizm")	505.761	725.407
Doğan Burda Dergi Yayıncılık ve Pazarlama A.Ş. ("Doğan Burda")	499.010	10.975
Other	297.767	706.789
	44.464.794	64.914.913

Less: Unearned credit finance charged to
related parties

	(119.236)	(260.524)
	44.345.558	64.654.389

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NOTE 29 - TRANSACTIONS AND BALANCES WITH RELATED PARTIES (Continued)

Due to Işıl İthalat ve İhracat is related with paper purchases, due to Hürriyet is related with printing of newspapers.

c) Service and product sales to related parties:

	31 December 2009	31 December 2008
Doğan Dağıtım	165.339.967	128.309.281
Medyanet A.Ş.	7.940.953	6.627.730
Doğan TV Dijital Platform	4.164.363	1.974.600
Kanal D	3.343.716	4.968.763
Mozaik İletişim Hizmetleri A.Ş. ("Mozaik")	3.137.402	7.267.888
Star TV	2.137.976	1.748.074
Bravo	1.399.455	-
Petrol Ofisi	1.022.524	1.753.979
Other	4.293.965	9.697.527
	192.780.321	162.347.842

d) Service and product purchases from related parties:

	31 December 2009	31 December 2008
Işıl İthalat	66.386.532	85.872.960
Dış Ticaret	50.413.170	41.081.583
Hürriyet	32.532.351	30.784.539
Other	9.715.094	12.856.539
	159.047.147	170.595.621
Less: Unearned credit finance charged to related parties	(682.139)	(1.368.162)
	158.365.008	169.227.459

e) Other significant transactions with related parties:

Other income/(expense), net

	31 December 2009	31 December 2008
Kanal D	1.986.358	1.632.307
Other	39.021	157.510
	2.025.379	1.789.817

The Company has rented the part of building in which it operates to Kanal D for 7 years with a monthly rent of USD106.530 beginning from 1 January 2003. Effective from 1 January 2010, monthly rent is determined as TRY217.708.

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NOTE 29 - TRANSACTIONS AND BALANCES WITH RELATED PARTIES (Continued)

Financial (expense)/income, net

	31 December 2009	31 December 2008
Işıl İthalat	(1.210.486)	(4.343.629)
Kanal D	(713.354)	-
Doğan Factoring	(667.125)	(889.591)
Hürriyet	(570.752)	(79.804)
Doğan Dış Ticaret	(273.658)	(636.092)
Other	(220.279)	-
Financial expenses	(3.655.654)	(5.949.116)

General administrative, marketing, distribution and selling expenses

	31 December 2009	31 December 2008
Doğan Dağıtım	21.355.495	24.515.920
Kanal D	15.984.989	17.835.365
D Yapım Reklamcılık ve Dağıtım A.Ş.	2.033.008	925.786
Doğan Yayın Holding	1.713.807	3.036.200
Doğan TV Dijital Platform	723.774	2.747
Doğan Egmond	594.071	34.200
Hürriyet	385.432	204.503
DBR	320.182	138.807
Doğa TV	299.585	8.333
Radyo Kulübü	294.909	113.179
Star TV	254.637	1.953.052
Other	1.402.230	1.664.255
	45.362.119	50.432.347

Investment property purchases from related party

	31 December 2009	31 December 2008
Kanal D (Note 11)	4.444.823	-
Total	4.444.823	-

Intangible asset purchases from related parties

	31 December 2009	31 December 2008
Doğan Portal ve Elektronik Tic. A.Ş.	-	17.400.000
	-	17.400.000

Intangible asset sales to related parties

	31 December 2009	31 December 2008
Işıl İthalat	2.094.143	-
Total	2.094.143	-

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NOTE 29 - TRANSACTIONS AND BALANCES WITH RELATED PARTIES (Continued)

Intangible asset sales to related parties

Birey Seçme ve Değerlendirme Danışmanlık Ltd. Şti. sold www.insankaynaklari.com web site to Yenibirış İnsan Kaynakları Danışmanlık A.Ş. for TRY443.865.

f) Remuneration paid to top management:

The Group defined its top management personnel as board of directors’ members and executive board members. Remuneration of top management includes salaries, premiums, health insurance and transportation benefits.

	31 December 2009	31 December 2008
Board of Directors	1.294.978	1.019.896
Executive Board	2.806.506	2.418.080
	4.101.484	3.437.976

NOTE 30 - FINANCIAL RISK MANAGEMENT

Financial risk management

The Group’s activities expose it to a variety of financial risks, these risks are market risk including the effects of changes in debt and equity market prices, foreign currency exchange rates, fair value interest rate risk and cash flow interest rate risk, credit risk, and liquidity risk. The Group’s overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance of the Group.

Financial risk management is carried out by individual subsidiaries under policies, which are approved by their Board of Directors within the limits of general principles, set by the Company.

Market Risk

Interest rate risk

The Group is exposed to interest rate risk through the impact of rate changes on interest bearing liabilities and assets. These exposures are managed using natural hedges that arise from offsetting interest rate sensitive assets and liabilities.

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NOTE 30 - FINANCIAL RISK MANAGEMENT (Continued)

The Group's interest rate sensitive financial instruments are as follows:

Financial instruments with fixed interest rate	31 December 2009	31 December 2008
Fixed interest rate financial instruments	249.628	15.048.408
- <i>Designated as fair value through profit or loss (*)</i>	249.628	15.048.408
- <i>Financial assets available for sale</i>	-	-
Financial liabilities	11.014.628	1.061.081
Financial instruments with floating interest rate	31 December 2009	31 December 2008
Financial assets	-	-
Financial liabilities	9.000.000	-

(*) Financial assets designated as fair value through profit or loss consists of fixed interest rate time deposits with maturity less than three months.

The Group has borrowing with a floating interest rate amounting to TRY9.000.000 as of 31 December 2009 (31 December 2008: None).

As of 31 December 2009, if interest rate on borrowings had been 1% higher/lower with all other variables held constant, interest expense would have been TRY63.750 higher/lower. The Group has no borrowing with a floating interest rate as of 31 December 2008.

Foreign currency risk

	31 December 2009	31 December 2008
Assets	421.702	410.988
Liabilities	(12.970.076)	(44.998.403)
Net foreign currency position	(12.548.374)	(44.587.415)

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NOTE 30 - FINANCIAL RISK MANAGEMENT (Continued))

31 December 2009	TRY Equivalent	US Dollar	Euro	Other
1. Trade Receivables	330.186	-	330.186	-
2a. Monetary Financial Assets (Cash, Banks included)	91.516	49.288	33.820	8.408
2b. Non-Monetary Financial Assets	-	-	-	-
3. Other	-	-	-	-
4. Current Assets (1+2+3)	421.702	49.288	364.006	8.408
5. Trade Receivables	-	-	-	-
6a. Monetary Financial Assets	-	-	-	-
6b. Non-Monetary Financial Assets	-	-	-	-
7. Other	-	-	-	-
8. Non-current assets (5+6+7)	-	-	-	-
9. Total assets (4+8)	421.702	49.288	364.006	8.408
10. Trade Payables	12.970.076	12.970.076	-	-
11. Financial Liabilities	-	-	-	-
12a. Other Monetary Financial Liabilities	-	-	-	-
12b. Other Non-Monetary Financial Liabilities	-	-	-	-
13. Current Liabilities (10+11+12)	12.970.076	12.970.076	-	-
14. Trade Payables	-	-	-	-
15. Financial Liabilities	-	-	-	-
16a. Other Monetary Financial Liabilities	-	-	-	-
16b. Other Non-Monetary Financial Liabilities	-	-	-	-
17. Non-current Liabilities(14+15+16)	-	-	-	-
18. Total Liabilities (13+17)	12.970.076	12.970.076	-	-
19. Net asset / liability position of Off-balance sheet derivatives (19a-19b)	-	-	-	-
19.a Off-balance sheet foreign currency derivative assets	-	-	-	-
19b. Off-balance sheet foreign currency derivative liabilities	-	-	-	-
20. Net foreign currency asset liability position (9-18+19)	(12.548.374)	(12.920.788)	364.006	8.408
21. Net foreign currency asset / liability position of monetary items (1+2a+5+6a-10-11-12a-14-15-16a)	(12.548.374)	(12.920.788)	364.006	8.408
22. Fair value of foreign currency hedged financial assets	-	-	-	-
23. Exports	-	-	-	-
24. Imports	-	-	-	-

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NOTE 30 - FINANCIAL RISK MANAGEMENT (Continued)

31 December 2008	TRY Equivalent	US Dollar	Euro	Other
1. Trade Receivables	252.012	-	252.012	-
2a. Monetary Financial Assets (Cash, Banks included)	158.976	75.459	65.504	18.013
2b. Non-Monetary Financial Assets	-	-	-	-
3. Other	-	-	-	-
4. Current Assets (1+2+3)	410.988	75.459	317.516	18.013
5. Trade Receivables	-	-	-	-
6a. Monetary Financial Assets	-	-	-	-
6b. Non-Monetary Financial Assets	-	-	-	-
7. Other	-	-	-	-
8. Non-current assets (5+6+7)	-	-	-	-
9. Total assets (4+8)	410.988	75.459	317.516	18.013
10. Trade Payables	44.998.403	44.998.403	-	-
11. Financial Liabilities	-	-	-	-
12a. Other Monetary Financial Liabilities	-	-	-	-
12b. Other Non-Monetary Financial Liabilities	-	-	-	-
13. Current Liabilities (10+11+12)	44.998.403	44.998.403	-	-
14. Trade Payables	-	-	-	-
15. Financial Liabilities	-	-	-	-
16a. Other Monetary Financial Liabilities	-	-	-	-
16b. Other Non-Monetary Financial Liabilities	-	-	-	-
17. Non-current Liabilities(14+15+16)	-	-	-	-
18. Total Liabilities (13+17)	44.998.403	44.998.403	-	-
19. Net asset / liability position of Off-balance sheet derivatives (19a-19b)	-	-	-	-
19.a Off-balance sheet foreign currency derivative assets	-	-	-	-
19b. Off-balance sheet foreign currency derivative liabilities	-	-	-	-
20. Net foreign currency asset liability position (9-18+19)	(44.587.415)	(44.922.944)	317.516	18.013
21. Net foreign currency asset / liability position of monetary items (1+2a+5+6a-10-11-12a-14-15-16a)	(44.587.415)	(44.922.944)	317.516	18.013
22. Fair value of foreign currency hedged financial assets	-	-	-	-
23. Exports	-	-	-	-
24. Imports	-	-	-	-

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NOTE 30 - FINANCIAL RISK MANAGEMENT (Continued)

TRY equivalent of import and exports for the periods ended 31 December 2009 and 2008 is as follows:

	<u>Income/Loss</u>	
	<u>Foreign currency appreciates</u>	<u>Foreign currency depreciates</u>
31 December 2009		
If the US dollar had changed by 10% against the TRY		
USD net (liabilities)/assets		
Hedging amount of USD	(1.292.079)	1.292.079
USD net effect on (loss)/income	(1.292.079)	1.292.079
	<u>Income/Loss</u>	
	<u>Foreign currency appreciates</u>	<u>Foreign currency depreciates</u>
31 December 2008		
If the US dollar had changed by 10% against the TRY		
USD net (liabilities)/assets		
Hedging amount of USD	(4.492.294)	4.492.294
USD net effect on (loss)/income	(4.492.294)	4.492.294

Credit risk

Ownership of financial assets involves the risk that counterparties may be unable to meet the terms of their agreements. These risks are monitored by credit ratings and by limiting the aggregate risk to any individual counterparty. The credit risk is generally highly diversified due to the large number of entities comprising the customer bases and their dispersion across many different industries.

The maximum exposure of the Group to credit risk as of 31 December 2009 and 31 December 2008 is as follows:

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NOTE 30 - FINANCIAL RISK MANAGEMENT (Continued)

31 December 2009	Trade receivables		Other receivables		Cash and cash equivalents	Financial assets	Other
	Related Party	Other	Related Party	Other			
Maximum credit risk exposure as of balance sheet date	18.005.852	58.785.253	-	62.637	1.147.673	-	-
- Collateralized or secured with guarantees part of maximum credit risk	-	11.424.741	-	-	-	-	-
A. Neither past due nor impaired	9.820.385	38.020.074	-	62.637	1.147.673	-	-
B. Restructured otherwise accepted as past due and impaired	-	-	-	-	-	-	-
C. Past due but not impaired	8.185.467	20.765.179	-	-	-	-	-
- Guaranteed amount by commitment	-	8.836.759	-	-	-	-	-
D. Impaired asset net book value	-	-	-	-	-	-	-
- Past due (gross amount)	-	15.649.595	-	-	-	-	-
- Impairment (-)	-	(15.649.595)	-	-	-	-	-
- Net value collateralized ...or guaranteed part of net value	-	-	-	-	-	-	-
- Not over due (gross amount)	-	-	-	-	-	-	-
- Impairment (-)	-	-	-	-	-	-	-
- Net value collateralized ...or guaranteed part of net value	-	-	-	-	-	-	-
E. Off-balance sheet items bearing credit risk	-	-	-	-	-	-	-

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NOTE 30 - FINANCIAL RISK MANAGEMENT (Continued)

31 December 2008	<u>Trade receivables</u>		<u>Other receivables</u>		Cash and cash equivalents	Financial assets	Other
	Related Party	Other	Related Party	Other			
Maximum credit risk exposure as of balance sheet date	14.730.824	57.051.551	-	97.714	16.159.286	-	-
<i>- Collateralized or secured with guarantees part of maximum credit risk</i>	-	<i>11.983.064</i>	-	-	-	-	-
A. Neither past due nor impaired	8.685.786	36.846.509	-	97.714	16.159.286	-	-
B. Restructured otherwise accepted as past due and impaired	-	-	-	-	-	-	-
C. Past due but not impaired	6.045.038	20.205.042	-	-	-	-	-
<i>- Guaranteed amount by commitment</i>	-	<i>8.869.558</i>	-	-	-	-	-
D. Impaired asset net book value	-	-	-	-	-	-	-
- Past due (gross amount)	-	12.352.968	-	-	-	-	-
- Impairment (-)	-	(12.352.968)	-	-	-	-	-
- Net value collateralized ...or guaranteed part of net value	-	-	-	-	-	-	-
- Not over due (gross amount)	-	-	-	-	-	-	-
- Impairment (-)	-	-	-	-	-	-	-
- Net value collateralized ...or guaranteed part of net value	-	-	-	-	-	-	-
E. Off-balance sheet items bearing credit risk	-	-	-	-	-	-	-

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NOTE 30 - FINANCIAL RISK MANAGEMENT (Continued)

The ageing schedule of receivables that are overdue but not impaired is as follows:

31 December 2009	Trade Receivables		Bank deposits	Financial instruments	Other
	Related Party	Other			
Up to 1 month	1.059.427	9.664.935	-	-	-
1 to 3 months	1.427.515	5.286.974	-	-	-
3 to 12 months	2.677.146	4.573.862	-	-	-
1 to 5 years	3.021.379	1.239.408	-	-	-
More than 5 years	-	-	-	-	-
Total	8.185.467	20.765.179	-	-	-

<i>Guaranteed amount</i>	-	8.836.759	-	-	-
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31 December 2008	Trade Receivables		Bank deposits	Financial instruments	Other
	Related Party	Other			
Up to 1 month	-	9.488.187	-	-	-
1 to 3 months	-	5.813.423	-	-	-
3 to 12 months	4.823.665	3.599.670	-	-	-
1 to 5 years	1.221.373	1.303.762	-	-	-
More than 5 years	-	-	-	-	-
Total	6.045.038	20.205.042	-	-	-

<i>Guaranteed amount</i>	-	8.869.558	-	-	-
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The credit quality of trade receivables which is impaired is as follows:

31 December 2008	Trade Receivables		Bank deposits	Financial instruments	Other
	Related Party	Other			
Up to 3 months	-	1.742	-	-	-
3 to 12 months	-	46.913	-	-	-
1 to 5 years	-	15.600.941	-	-	-
Less: provision for doubtful receivables	-	(15.649.596)	-	-	-
Total	-	-	-	-	-

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NOTE 30 - FINANCIAL RISK MANAGEMENT (Continued)

31 December 2008	Trade receivables		Bank deposits	Financial instruments	Other assets
	Related party	Other			
Up to 3 months	-	18.523	-	-	-
3 to 12 months	-	267.435	-	-	-
1 to 5 years	-	12.067.010	-	-	-
Less: provision for doubtful receivables	-	(12.352.968)	-	-	-
Total	-	-	-	-	-

Liquidity Risk

Prudent liquidity risk management includes maintaining sufficient cash and marketable securities, the availability of funding from an adequate amount of committed credit facilities and the ability to close out market positions. The ability to fund the existing and prospective debt requirements is managed by maintaining the availability of adequate committed funding lines from high quality lenders.

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NOTE 30 - FINANCIAL RISK MANAGEMENT (Continued)

According to agreement maturities, undiscounted cash flows of financial liabilities as of 31 December 2009 and 31 December 2008 are as follows:

31 December 2009	Book value	Contractual cash flow	Up to 3 months	3-12 months	1-5 years	Over 5 years
Financial liabilities excluding derivatives						
Financial liabilities	20.014.628	20.554.633	14.840.907	5.713.726	-	-
Due to related parties (*)	44.345.559	35.027.306	35.027.306	-	-	-
Other trade payables (**)	8.659.476	7.161.317	7.161.317	-	-	-
Other payables	6.097.490	6.097.490	6.097.490	-	-	-
31 December 2008	Book value	Contractual cash flow	Up to 3 months	3-12 months	1-5 years	Over 5 years
Financial liabilities excluding derivatives						
Financial liabilities	1.061.081	1.061.081	937.791	123.290	-	-
Due to related parties (*)	64.654.389	58.784.685	11.979.551	46.805.134	-	-
Other trade payables (**)	5.652.991	4.669.984	-	4.669.984	-	-
Other payables	4.267.000	4.267.000	-	4.267.000	-	-

(*) Barter related liabilities amounting to TRY9.437.489 (31 December 2008: TRY6.130.228) are not included in the total cash outflow.

(**) Barter related liabilities amounting to TRY1.498.159 (31 December 2008: TRY983.007) are not included in the total cash outflow.

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NOTE 30 - FINANCIAL RISK MANAGEMENT (Continued)

Capital risk management

The Group’s objectives when managing capital are to safeguard the Group’s ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to recapitalise or maintain the current capital structure, the Group can change dividend payment amount, announce new shares and in order to decrease borrowings the Group can sell assets.

The Group monitors capital using liability/capital ratio which is calculated by dividing net liability to total capital. Net liability amount is obtained from the deducting cash and cash equivalents from the total liability (includes financial liabilities, trade payables and payables due to related parties as stated in balance sheet). Total capital is the sum of equity and net liabilities as also stated in balance sheet.

NOTE 31 - FINANCIAL INSTRUMENTS

Fair value of financial instruments

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

The estimated fair values of financial instruments have been determined by the Group using available market information and appropriate valuation methodologies. However, judgment is necessarily required to interpret market data to estimate the fair value. Accordingly, the estimates presented herein are not necessarily indicative of the amounts the Group could realise in a current market exchange.

The following methods and assumptions were used to estimate the fair value of the financial instruments for which it is practicable to estimate fair value:

Monetary assets:

The fair values of balances denominated in foreign currencies, which are translated at year-end exchange rates, are considered to approximate carrying value.

The fair values of certain financial assets carried at cost, including cash and amounts due from banks are considered to approximate their respective carrying values due to their short-term nature.

The carrying values of trade receivables along with the related allowances for uncollectibility are estimated to be their fair values.

**CONVENIENCE TRANSLATION OF FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH**

DOĞAN GAZETECİLİK A.Ş.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009**

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

NOTE 31 - FINANCIAL INSTRUMENTS

Monetary liabilities:

Trading liabilities have been estimated at their fair values.

The fair values of short-term bank borrowings and other monetary liabilities are considered to approximate their respective carrying values due to their short-term nature.

Long-term borrowings, which are denominated in foreign currencies, are translated at period-end exchange rates and accordingly their carrying amounts approximate their fair values.

NOTE 32- SUBSEQUENT EVENT

Due to tax principal and tax penalty notices communicated by the related tax office, the shares that Doğan Yayın Holding A.Ş. possesses in the Doğan Gazetecilik A.Ş.’s share capital and which represent 70,76% of the share capital of Doğan Gazetecilik A.Ş. included in the export/investment accounts of the Central Registry Institution and Intermediary Institution were immobilised and their transfer has been restricted. In the public announcement of Doğan Yayın Holding, dated 1 February 2010, it was mentioned that a significant portion of the lawsuits filed for the aforementioned tax amounts and notices have been finalised in favour of Doğan Yayın Holding. Since it is thought that the amount of sequestration exceeds the total public receivable accrued, Doğan Yayın Holding expects that the sequestration exceeding the public receivable will be removed after the assessment of the related tax office (Note 19).

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