EİS ECZACIBAŞI İLAÇ, SINAİ VE
FİNANSAL YATIRIMLAR SANAYİ VE TİCARET A.Ş.

CONVENIENCE TRANSLATION
INTO ENGLISH OF
CONDENSED INTERIM
CONSOLIDATED FINANCIAL
STATEMENTS FOR THE INTERIM PERIOD
1 JANUARY – 30 JUNE 2013

(ORIGINALLY ISSUED IN TURKISH)

Deloitte.

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REVIEW REPORT ON CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

To the Board of Directors of
EİS Eczacıbaşı İlaç, Sınai ve
Finansal Yatırımlar Sanayi ve Ticaret A.Ş
Istanbul

Introduction

We have reviewed the accompanying condensed consolidated financial position of EİS Eczacıbaşı İlaç, Sınai ve Finansal Yatırımlar Sanayi ve Ticaret A.Ş. ("the Company") and its subsidiaries (together "Group") as of 30 June 2013 and the related condensed statements of profit or loss and other comprehensive income, condensed changes in equity and condensed cash flows for the six-month period then ended. Management is responsible for the preparation and fair presentation of these interim financial statements in accordance with Turkish Accounting Standards published by Public Oversight Accounting and Auditing Standards Authority ("POA"). Our responsibility is to express a conclusion on this interim condensed financial statements based on our review.

Scope of Review

We conducted our review in accordance with auditing standards published by Capital Markets Board. A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with auditing standards published by Capital Markets Board and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed financial statements is not prepared, in all material respects, in accordance with Turkish Accounting Standards published by POA.

Istanbul, 23 August 2013

DRT BAĞIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK A.Ş.
Member of **DELOITTE TOUCHE TOHMATSU LIMITED**

H. Ali Bekçe, SMMM
Partner

EİS ECZACIBAŞI İLAÇ, SINAİ VE FİNANSAL YATIRIMLAR SANAYİ VE TİCARET A.Ş.

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CONDENSED CONSOLIDATED FINANCIAL POSITION AT 30 JUNE 2013

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

	Notes	*Reviewed* 30 June 2013	*Audited (Restated)* 31 December 2012	*Audited (Restated)* 1 January 2012
ASSETS				
Current assets				
Cash and cash equivalents	5	678,131	705,168	754,624
Financial investments	6	317	372	1,404
Trade receivables				
- Trade receivables due from related parties	8	10,968	932	724
- Trade receivables due from third parties	9	259,994	173,157	129,716
Other receivables				
- Other receivables due from related parties	8	7,941	-	-
- Other receivables due from third parties		209	264	157
Inventories	10	181,911	167,655	103,479
Prepaid expenses	11	3,498	645	2,585
Current income tax assets	12	9	2,182	928
Other current assets	18	15,226	16,499	1,527
Total current assets		**1,158,204**	**1,066,874**	**995,144**
Non-current assets				
Trade receivables				
- Trade receivables due from related parties		-	-	-
- Trade receivables due from third parties	9	2,257	2,916	5,659
Other receivables				
- Other receivables due from related parties		-	-	-
- Other receivables due from third parties		52	61	14
Financial investments	6	1,754,563	1,755,762	1,463,931
Investments accounted for using equity method	3	99,556	129,618	173,454
Investment properties	13	194,096	196,663	200,358
Property, plant and equipment	14	56,692	58,549	32,847
Intangible assets				
- Goodwill		39,511	39,511	-
- Other intangible assets	15	32,371	31,424	9,303
Prepaid expenses	11	11,264	24,926	26,418
Deferred income tax assets	26	8,838	8,918	7,434
Other non-current assets	18	50,328	45,479	41,429
Total non-current assets		**2,249,528**	**2,293,827**	**1,960,847**
Total assets		**3,407,732**	**3,360,701**	**2,955,991**

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

CONDENSED CONSOLIDATED FINANCIAL POSITION AT 30 JUNE 2013

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

	Notes	*Reviewed* 30 June 2013	*Audited (Restated)* 31 December 2012	*Audited (Restated)* 1 January 2012
LIABILITIES				
Current liabilities				
Short term borrowings	7	63,013	31,769	27,197
Trade payables				
- Trade payables due to related parties	8	100,419	96,912	118,616
- Trade payables due to third parties	9	173,809	116,482	67,692
Employee benefit obligations	17	2,662	1,838	2,148
Other payables				
- Other payables due to related parties	8	3,400	-	-
- Other payables due to third parties		5,545	5,680	4,010
Derivative financial instruments		-	-	1,387
Deferred income	11	72,716	81,395	25,218
Current income tax liabilities	26	8,134	1,181	910
Short term provisions				
- Short term provisions for employee benefits	17	5,884	6,138	4,014
- Other short term provisions	16	861	2,154	1,159
Other current liabilities	18	569	446	259
Total current liabilities		**437,012**	**343,995**	**252,610**
Non-current liabilities				
Long term borrowings	7	-	63	-
Trade payables				
- Trade payables due to related parties		-	1,414	4,418
Deferred income	11	5,658	14,423	17,683
Long term provisions				
- Long term provisions for employee benefits	17	4,584	3,782	2,306
Deferred income tax liabilities	26	84,453	83,889	65,163
Other non-current liabilities	18	7,500	7,500	-
Total non-current liabilities		**102,195**	**111,071**	**89,570**

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

CONDENSED CONSOLIDATED FINANCIAL POSITION AT 30 JUNE 2013

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

	Notes	*Reviewed* 30 June 2013	*Audited (Restated)* 31 December 2012	*Audited (Restated)* 1 January 2012
EQUITY				
Share capital	19	548,208	548,208	548,208
Adjustments to share capital	19	105,777	105,777	105,777
Items that will not be reclassified subsequently to profit or loss				
- Defined benefit plans re-measurement gains / losses		(2,023)	(2,023)	(162)
Items that may be reclassified subsequently to profit or loss				
- Cumulative translation differences		2,821	1,877	1,383
- Gains / losses on available for sale financial assets due to revaluation or/and reclassification		1,528,325	1,528,836	1,248,552
Restricted reserves	19	299,764	258,084	248,754
Retained earnings		322,472	384,423	359,902
Net income for the period		19,030	34,550	88,672
Attributable to equity holders of the Company		**2,824,374**	**2,859,732**	**2,601,086**
Non-controlling interests		**44,151**	**45,903**	**12,725**
Total equity		**2,868,525**	**2,905,635**	**2,613,811**
Total liabilities and equity		**3,407,732**	**3,360,701**	**2,955,991**

The interim condensed consolidated financial statements for six months period ended 30 June 2013 were approved by the Board of Directors on 23 August 2013 and signed on its behalf by Bülent Avcı, Financial Director and by Gülnur Günbey Kartal, Internal Audit Manager.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR SIX MONTHS INTERIM PERIOD ENDED 30 JUNE 2013

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

	Notes	*Reviewed* 1 January - 30 June 2013	*Not reviewed* 1 April - 30 June 2013	*Reviewed* (Restated) 1 January - 30 June 2012	*Not reviewed* (Restated) 1 April - 30 June 2012
Revenue	20	584,602	331,462	447,348	235,408
Cost of sales (-)	20	(479,278)	(276,632)	(368,755)	(194,218)
Gross profit		**105,324**	**54,830**	**78,593**	**41,190**
General administrative expenses (-)	21	(35,737)	(18,745)	(32,315)	(17,745)
Marketing expenses (-)	21	(55,792)	(25,556)	(43,279)	(22,038)
Research and development expenses (-)	21	(515)	(253)	-	-
Other operating income	23	69,973	49,391	50,815	26,091
Other operating expense (-)	23	(25,574)	(10,717)	(56,955)	(20,969)
Operating profit / (loss)		**57,679**	**48,950**	**(3,141)**	**6,529**
Income from investing activities	24	8,653	8,126	7,943	7,941
Expenses from investing activities (-)	24	(22)	(5)	(15)	-
Share of (loss) / profit of investments accounted for using equity method	3	(30,493)	(25,371)	(14,656)	(14,782)
Operating income / (loss) before finance expense		**35,817**	**31,700**	**(9,869)**	**(312)**
Financial income	25	-	-	1,391	4
Financial expenses (-)	25	(2,237)	(1,471)	(1,866)	(831)
Profit / (loss) before tax		**33,580**	**30,229**	**(10,344)**	**(1,139)**
Tax income / (expense) from continuing operations		**(12,525)**	**(10,393)**	**(1,012)**	**(2,525)**
Income tax expense (-)	26	(11,837)	(9,220)	(1,438)	(716)
Deferred tax income / (expense)	26	(688)	(1,173)	426	(1,809)
Profit / (loss) for the period		**21,055**	**19,836**	**(11,356)**	**(3,664)**
Attributable to					
- Non-controlling interests		2,025	1,077	2,594	1,270
- Equity holders of the parent	27	19,030	18,759	(13,950)	(4,934)
Net profit / (loss) for the period		**21,055**	**19,836**	**(11,356)**	**(3,664)**
Weighted average number of ordinary shares with face value of KR 1 each		54,820,800,000	54,820,800,000	54,820,800,000	54,820,800,000
Basic and diluted earnings / (loss) per share (Kr)	**27**	**0.0347**	**0.0342**	**(0.0254)**	**(0.0090)**

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

CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME FOR SIX MONTHS INTERIM PERIOD ENDED 30 JUNE 2013

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

	Notes	*Reviewed* **1 January - 30 June 2013**	*Not reviewed* **1 April - 30 June 2013**	*Reviewed (Restated)* **1 January - 30 June 2012**	*Not reviewed (Restated)* **1 April - 30 June 2012**
Profit / (loss) for the period		**21,055**	**19,836**	**(11,356)**	**(3,664)**
Other comprehensive income / (expenses)					
Items that may be reclassified subsequently to profit or loss					
- Currency translation differences		470	106	394	540
- Gains / losses on available for sale financial assets due to revaluation or/and reclassification		(889)	(817)	(49)	944
- Group's share in equity method accounted investments' comprehensive income	3	431	3,749	(151)	828
- Tax income / (expenses) of other comprehensive income items	26	44	40	2	(47)
Other comprehensive income (after tax)		**56**	**3,078**	**196**	**2,265**
Total comprehensive income / (loss)		**21,111**	**22,914**	**(11,160)**	**(1,399)**
Total comprehensive income / (loss) attributable to:					
- Non-controlling interest		1,648	751	2,541	1,740
- Equity holders of the parent		19,463	22,163	(13,701)	(3,139)
Total comprehensive income / (loss)		**21,111**	**22,914**	**(11,160)**	**(1,399)**

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

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR SIX MONTHS INTERIM PERIOD ENDED 30 JUNE 2013

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

			Items that will not be reclassified subsequently to profit or loss	Items that may be reclassified subsequently to profit or loss			Retained Earnings				
	Share capital	Adjustments to share capital	Defined benefit plans re-measurement gains / (losses)	Cumulative translation differences	Financial assets' fair value reserve	Restricted reserves	Retained earnings	Net (loss) / profit for the period	**Total**	Non-controlling interest	**Total Equity**
1 January 2013	**548,208**	**105,777**	**-**	**1,877**	**1,528,836**	**258,084**	**384,261**	**32,689**	**2,859,732**	**47,158**	**2,906,890**
Changes in accounting policies (Note 2.2)	-	-	(2,023)	-	-	-	162	1,861	-	(1,255)	**(1,255)**
As restated as of 1 January 2013	**548,208**	**105,777**	**(2,023)**	**1,877**	**1,528,836**	**258,084**	**384,423**	**34,550**	**2,859,732**	**45,903**	**2,905,635**
Transfers	-	-	-	-	-	41,680	(7,130)	(34,550)	**-**	-	**-**
Dividends paid	-	-	-	-	-	-	(54,821)	-	**(54,821)**	(3,400)	**(58,221)**
Total comprehensive income / (loss)	-	-	-	944	(511)	-	-	19,030	**19,463**	1,648	**21,111**
30 June 2013	**548,208**	**105,777**	**(2,023)**	**2,821**	**1,528,325**	**299,764**	**322,472**	**19,030**	**2,824,374**	**44,151**	**2,868,525**
1 January 2012	**548,208**	**105,777**	-	**1,383**	**1,248,552**	**248,754**	**359,902**	**88,510**	**2,601,086**	**16,118**	**2,617,204**
Changes in accounting policies (Note 2.2)	-	-	(162)	-	-	-	-	162	-	(3,393)	**(3,393)**
As restated as of 1 January 2012	**548,208**	**105,777**	**(162)**	**1,383**	**1,248,552**	**248,754**	**359,902**	**88,672**	**2,601,086**	**12,725**	**2,613,811**
Transfers	-	-	-	-	-	9,330	79,180	(88,510)	**-**	-	**-**
Dividends paid	-	-	-	-	-	-	(54,821)	-	**(54,821)**	(4,180)	**(59,001)**
Total comprehensive income / (loss)	-	-	-	(45)	294	-	-	(13,950)	**(13,701)**	2,541	**(11,160)**
30 June 2012	**548,208**	**105,777**	**(162)**	**1,338**	**1,248,846**	**258,084**	**384,261**	**(13,788)**	**2,532,564**	**11,086**	**2,543,650**

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

CONDENSED CONSOLIDATED CASH FLOWS
FOR SIX MONTHS INTERIM PERIOD ENDED 30 JUNE 2013

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

	Notes	*Reviewed* 1 January - 30 June 2013	*Not reviewed* (Restated) 1 January - 30 June 2012
A. Cash flows from operating activities			
Income / (loss) for the period		**21,055**	**(11,356)**
Adjustments for reconciliation of profit / loss for the period:			
Adjustments for depreciation and amortisation	22	6,361	5,257
Provision for employment termination benefits and actuarial loss	22	1,024	595
Provision for unused vacation	21	875	1,126
Provision for doubtful receivable	21	186	1,782
Loss / (gain) on sale of property, plant and equipment, net	24	(400)	13
Provision for diminution in value of inventories, net	23	3,807	621
Group's share in the associates' (income) / loss	3	30,493	14,656
Adjustments for interest income and expenses	23, 25	(12,271)	(22,450)
Adjustments for income tax expense / income	26	12,525	1,012
Dividend income	24	(8,114)	(7,941)
Adjustments for unrecognized foreign exchange differences		(33,113)	28,801
Income / expense accruals	9	(436)	(1,505)
		21,992	**10,611**
Changes in working capital:			
Adjustments for increase / decrease in trade receivables		(95,629)	(75,018)
Adjustments for increase / decrease in inventories		(18,063)	(25,097)
Adjustments for increase / decrease in trade payables		59,129	37,085
Adjustments for increase / decrease in other receivables related with operations		9,470	(14,747)
Adjustments for increase / decrease in other payables related with operations		(19,031)	28,253
		(42,132)	**(38,913)**
Cash flows from operating activities:			
Interest received		17,405	27,846
Credit finance expenses		(3,239)	(4,190)
Taxes paid		(4,884)	(1,625)
Employment termination benefits paid	17	(222)	(174)
Unused vacation paid	17	(23)	(245)
Collections of doubtful receivables	9	15	5
		(33,080)	**(17,296)**

CONDENSED CONSOLIDATED CASH FLOWS
FOR SIX MONTHS INTERIM PERIOD ENDED 30 JUNE 2013

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

	Notes	*Reviewed* 1 January - 30 June 2013	*Not reviewed* (Restated) 1 January - 30 June 2012
B. Cash flows from investing activities			
Cash outflows from the purchase of tangible and intangible assets	13, 14, 15	(3,391)	(16,011)
Cash inflows from the sale of tangible and intangible assets	13, 14, 15, 24	907	10
Changes in financial assets		365	929
		(2,119)	**(15,072)**
C. Cash flows from financing activities			
Cash inflows from bank borrowings		31,181	9,300
Interest paid		(1,967)	(862)
Dividends received		173	7,941
Dividends paid		(54,821)	(54,821)
		(25,434)	**(38,442)**
Net increase / (decrease) in cash and cash equivalents before the impact of foreign currency translation differences (A+B+C)		**(60,633)**	**(70,810)**
D. Impact of foreign currency translation differences on cash and cash equivalents		**33,524**	**(27,886)**
Net decrease in cash and cash equivalents (A+B+C+D)		**(27,109)**	**(98,696)**
E. Cash and cash equivalents at the beginning of the period	**5**	**703,992**	**752,704**
Cash and cash equivalents at the end of the period (A+B+C+D+E)	**5**	**676,883**	**654,008**

(Amounts expressed in thousand of Turkish Lira ("TRL") unless otherwise indicated.)

NOTE 1 - ORGANISATION AND NATURE OF THE COMPANY

EİS Eczacıbaşı İlaç, Sınai ve Finansal Yatırımlar Sanayi ve Ticaret A.Ş. ("the Company") was established on 24 October 1951. The Company has no production activity; but has a holding structure with its subsidiaries, joint ventures and associates. The Company directly operates in the real estate development industry and in health, personal care and cosmetics industries through its joint ventures, subsidiaries and associates.

The Company's registered address is as follows:

Büyükdere Caddesi, Ali Kaya Sokak No: 5 Levent 34394, İstanbul.

The Company is registered with the Capital Markets Board of Turkey ("CMB") and its shares have been quoted on the Borsa İstanbul A.Ş. ("BIST") since 1990. As of 30 June 2013, 26.52% (31 December 2012: 27.63%) of total shares are quoted on the BIST. The ultimate parent company of the Group is Eczacıbaşı Holding A.Ş., which possesses 50.62% (31 December 2012: 50.62%) shares of the Company (Note 19).

The Company and its consolidated subsidiaries, joint ventures and associates are referred to as "the Group" in this report. The operations of the subsidiaries, joint ventures and associates included in the consolidation are stated below:

Subsidiaries

The Company's subsidiaries (the "Subsidiaries"), the nature of businesses of the Subsidiaries and their business segments are as follows:

Companies accounted by line by line consolidation:

Subsidiaries	Nature of business	Segment
EİP Eczacıbaşı İlaç Pazarlama A.Ş. ("EİP")	Marketing and selling of pharmaceuticals	Health
Eczacıbaşı İlaç Ticaret A.Ş. ("EİT")	Marketing and selling of pharmaceuticals	Health
Eczacıbaşı İlaç (Cyprus) Ltd. ("Eczacıbaşı Cyprus") (*)	Marketing and selling of pharmaceuticals	Health
EHP Eczacıbaşı Health Care Products Joint Stock Co. ("EHP") (*)	Marketing and selling of pharmaceuticals	Health
Eczacıbaşı Girişim Pazarlama Tüketim Ürünleri Sanayi ve Ticaret A.Ş. ("Eczacıbaşı Girişim")	Marketing and selling of personal care products	Personal care
Eczacıbaşı Gayrimenkul Geliştirme ve Yatırım A.Ş. ("Eczacıbaşı Gayrimenkul")	Real estate development	Construction

(*) All Subsidiaries of the Company, except for Eczacıbaşı Health Care Products Joint Stock Co. registered in the Russian Federation and Eczacıbaşı İlaç (Cyprus) Ltd. registered in Northern Cyprus Turkish Republic, are registered in Turkey.

NOTE 1 - ORGANISATION AND NATURE OF OPERATIONS (Continued)

Joint Ventures

The Company's joint ventures (the "Joint Ventures") are listed below. All Joint Ventures are registered in Turkey. The nature of business of the Joint Ventures and their respective businesses segments for the purpose of the consolidated financial statements are as follows:

Joint Ventures	Nature of business	Partner	Segment
Eczacıbaşı-Baxter Hastane Ürünleri Sanayi ve Ticaret A.Ş. ("EBX")	Pharmaceuticals and serum production	Baxter S.A.	Health
Eczacıbaşı-Monrol Nükleer Ürünler Sanayi ve Ticaret A.Ş. ("Eczacıbaşı-Monrol")	Production and sales of radiopharmaceuticals	Uğur Bozluolçay and Şükrü Bozluolçay	Health
Eczacıbaşı-Schwarzkopf Kuaför Ürünleri Pazarlama A.Ş. ("ESK")	Sale of personal care products	Hans Schwarzkopf Gmbh & Co. KG	Personal care
EBC Eczacıbaşı-Beiersdorf Kozmetik Ürünler Sanayi ve Ticaret A.Ş. ("EBC") (*)	Sale of personal care products	Beiersdorf AG	Personal care

(*) The Group has sold all shares in EBC to its partner Beiersdorf AG on 27 December 2012.

Associates

The associates of the Group ("Associates") and their respective business segments are as follows:

Associates	Nature of business
Ekom Eczacıbaşı Dış Ticaret A.Ş. ("Ekom")	Export services
Vitra Karo Sanayi ve Ticaret A.Ş. ("Vitra Karo")	Production of ceramic tiles
Eczacıbaşı Sağlık Hizmetleri A.Ş. ("ESH")	Special care and nursing services

NOTE 2 - BASIS OF PRESENTATION OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

2.1 Basis of Presentation

Statement of compliance

The Company and its subsidiaries operating in Turkey maintains its books of account and prepares its statutory financial statements in accordance with accounting principles in the Turkish Commercial Code ("TCC") and tax legislation. Subsidiaries of the company which currently operate in foreign countries maintain their books of account and prepare their financial statements in accordance with the local tax legislations of the countries where they are operating and they maintain their books of account and prepare their financial statements in terms of national currency.

The accompanying financial statements are prepared in accordance with the CMB's Communiqué Serial II, No: 14.1, "Basis of Financial Reporting in Capital Markets" ("the Communiqué") published in the Official Gazette numbered 28676 on 13 June 2013. According to the article 5 of the Communiqué, financial statements are prepared in accordance with Turkish Accounting Standards/Turkish Financial Reporting Standards ("TAS/TFRS") and its addendum and interpretations ("IFRIC") issued by Public Oversight Accounting and Auditing Standards Authority ("POA"). Financial statements and notes are prepared in accordance with the new format of CMB released on 7 June 2013.

The financial statements have been prepared on the historical cost basis except for the financial assets and liabilities which are expressed with their fair values. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

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

2.1 Basis of Presentation (continued)

Functional currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in TRL, which is the functional currency of the Company and the presentation currency of the Group.

Restatement of the financial statements in Hyperinflationary periods

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

Comparative information and restatement of prior period financial statements

Group's consolidated financial statements have been prepared in comparison with the previous period in order to give accurate trend analysis regarding the financial position and performance. Where necessary, comparative figures have been reclassified to conform to the presentation of the current period consolidated financial statements and significant changes are explained. Consolidated financial statements of previous period have been restated by the Group according to changes in accounting policies explained at Note 2.4. Effects of these changes are detailed at Note 2.4. Group made some reclassifications in the previous period's financial statements in order to comply with the new format of Capital Market Board issued on 7 June 2013. The nature, cause and amount of reclassifications are disclosed at Note 31.

2.2 Changes in accounting policies

Significant changes in accounting policies are applied retrospectively and prior period financial statements are restated. The Group has made some changes in accounting policies due to effects of changes on standards in current year. Details of these changes are disclosed at Note 2.4.

2.3 Changes in the accounting estimates and errors

If changes in estimates are for only one period, changes are applied to the current year but if changes in estimates are for the following periods, changes are applied both to the current and following years prospectively. The Group did not have any major changes in the accounting estimates during the current year.

Significant accounting errors are corrected retrospectively, by restating the prior period consolidated financial statements.

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

2.4 New and revised Turkish Financial Reporting Standards

a) Amendments to TAS / TFRSs affecting amounts reported and disclosures in the financial statements

The following amendments to TASs and TFRSs have been applied in the current year and have affected the amounts reported in these consolidated financial statements.

Amendments to TAS 1 *Presentation of Items of Other Comprehensive Income*

The amendments to TAS 1 *Presentation of Items of Other Comprehensive Income* is effective for the annual periods beginning on or after 1 July 2012.The amendments introduce new terminology for the statement of comprehensive income and income statement. Under the amendments to TAS 1, the 'statement of comprehensive income' is renamed the 'statement of profit or loss and other comprehensive income' and the 'income statement' is renamed the 'statement of profit or loss'. The amendments to TAS 1 retain the option to present profit or loss and other comprehensive income in either a single statement or in two separate but consecutive statements.

However, the amendments to TAS 1 require items of other comprehensive income to be grouped into two categories in the other comprehensive income section: (a) items that will not be reclassified subsequently to profit or loss and (b) items that may be reclassified subsequently to profit or loss when specific conditions are met. Income tax on items of other comprehensive income is required to be allocated on the same basis - the amendments do not change the option to present items of other comprehensive income either before tax or net of tax. The amendments have been applied retrospectively and hence the presentation of items of other comprehensive income has been modified to reflect the changes. Other than the above mentioned presentation changes, the application of the amendments to TAS 1 does not result in any impact on profit or loss, other comprehensive income and total comprehensive income.

New and revised standards on consolidation, joint arrangements, associates and disclosures

In May 2011, a package of five Standards on consolidation, joint arrangements, associates and disclosures was issued, including TFRS 10, TFRS 11, TFRS 12, TAS 27 (as revised in 2011) and TAS 28 (as revised in 2011).

Key requirements of these five Standards are described below:

TFRS 10 replaces the parts of TAS 27 *Consolidated and Separate Financial Statements* that deal with consolidated financial statements. SIC-12 *Consolidation - Special Purpose Entities* will be withdrawn upon the effective date of TFRS 10. Under TFRS 10, there is only one basis for consolidation that is control. In addition, TFRS 10 includes a new definition of control that contains three elements: (a) power over an investee, (b) exposure, or rights, to variable returns from its involvement with the investee, and (c) the ability to use its power over the investee to affect the amount of the investor's return. Extensive guidance has been added in TFRS 10 to deal with complex scenarios.

TFRS 11 replaces TAS 31 *Interests in Joint Ventures*. TFRS 11 deals with how a joint arrangement of which two or more parties have joint control should be classified. SIC-13 *Jointly Controlled Entities - Non-monetary Contributions by Venturers* will be withdrawn upon the effective date of TFRS 11. Under TFRS 11, joint arrangements are classified as joint operations or joint ventures, depending on the rights and obligations of the parties to the arrangements. In contrast, under TAS 31, there are three types of joint arrangements: jointly controlled entities, jointly controlled assets and jointly controlled operations. In addition, joint ventures under TFRS 11 are required to be accounted for using the equity method of accounting, whereas jointly controlled entities under TAS 31 can be accounted for using the equity method of accounting or proportional consolidation.

The Group management has re-evaluated its involvement in its joint arrangements according to TFRS 11. As a result, Group's joint arrangements disclosed in Note 1, which were classified as jointly controlled entities before the change in accounting policy, were classified as joint ventures. According to this classification, the joint ventures are recognised by applying the equity method which were previously proportionately consolidated.

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

2.4 New and revised Turkish Financial Reporting Standards (continued)

a) Amendments to TAS / TFRSs affecting amounts reported and disclosures in the financial statements (continued)

New and revised standards on consolidation, joint arrangements, associates and disclosures (continued)

The change in accounting of the Group's investments in Joint Ventures disclosed in Note 1 has been applied in accordance with the relevant transitional provisions set out in IFRS 11. Comparative amounts for 2012 have been restated to reflect the change in accounting for the Group's investment in Joint Ventures presented in Note 1. The initial investment as at 1 January 2012 for the purposes of applying the equity method is measured as the aggregate of the carrying amounts of the assets and liabilities that the Group had previously proportionately consolidated (see Note 31 for details). Also, the directors of the Company performed in impairment assessment on the initial investment as at 1 January 2012 and concluded that no impairment loss is required.

TFRS 12 is a disclosure standard and is applicable to entities that have interests in subsidiaries, joint arrangements, associates and/or unconsolidated structured entities. In general, the disclosure requirements in TFRS 12 are more extensive than those in the current standards.

In June 2012, the amendments to TFRS 10, TFRS 11 and TFRS 12 were issued to clarify certain transitional guidance on the application of these TFRSs for the first time.

TFRS 13 *Fair Value Measurement*

TFRS 13 establishes a single source of guidance for fair value measurements and disclosures about fair value measurements. The Standard defines fair value, establishes a framework for measuring fair value, and requires disclosures about fair value measurements. The scope of TFRS 13 is broad; it applies to both financial instrument items and non-financial instrument items for which other TFRSs require or permit fair value measurements and disclosures about fair value measurements, except in specified circumstances. In general, the disclosure requirements in TFRS 13 are more extensive than those required in the current standards. For example, quantitative and qualitative disclosures based on the three-level fair value hierarchy currently required for financial instruments only under TFRS 7 *Financial Instruments: Disclosures* will be extended by TFRS 13 to cover all assets and liabilities within its scope.

Amendments to TAS 1 *Presentation of Financial Statements*
(as part of the *Annual Improvements to TFRSs 2009-2011 Cycle* issued in May 2012)

The amendments to TAS 1 as part of the *Annual Improvements to TFRSs 2009-2011 Cycle* are effective for the annual periods beginning on or after 1 January 2013.

TAS 1 requires an entity that changes accounting policies retrospectively, or makes a retrospective restatement or reclassification to present a statement of financial position as at the beginning of the preceding period (third statement of financial position). The amendments to TAS 1 clarify that an entity is required to present a third statement of financial position only when the retrospective application, restatement or reclassification has a material effect on the information in the third statement of financial position and that related notes are not required to accompany the third statement of financial position.

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

2.4 New and revised Turkish Financial Reporting Standards (continued)

a) Amendments to TAS / TFRSs affecting amounts reported and disclosures in the financial statements (continued)

Amendments to TAS 1 *Presentation of Financial Statements*
(as part of the *Annual Improvements to TFRSs 2009-2011 Cycle* issued in May 2012) (continued)

In the current year, the Group has applied a number of new and revised IFRSs, which has resulted in material effects on the information in the consolidated statement of financial position as at 1 January 2012. In accordance with the amendments to IAS 1, the Group has presented a third statement of financial position as at 1 January 2012 without the related notes except for the disclosure requirements of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors as detailed below.

TAS 19 Employee Benefits

The amendments to TAS 19 change the accounting for defined benefit plans and termination benefits. The most significant change relates to the accounting for changes in defined benefit obligations and plan assets. The amendments require the recognition of changes in defined benefit obligations and in fair value of plan assets when they occur, and hence eliminate the 'corridor approach' permitted under the previous version of TAS 19 and accelerate the recognition of past service costs. The amendments require all actuarial gains and losses to be recognized immediately through other comprehensive income in order for the net pension asset or liability recognized in the consolidated statement of financial position to reflect the full value of the plan deficit or surplus. Furthermore, the interest cost and expected return on plan assets used in the previous version of TAS 19 are replaced with a 'net-interest' amount, which is calculated by applying the discount rate to the net defined benefit liability or asset. The amendments to IAS 19 require retrospective application.

Specific transitional provisions are applicable to first-time application of IAS 19 (as revised in 2011). The Group has applied the relevant transitional provisions and restated the comparative amounts on a retrospective basis (see Note 31 for details).

b) New and Revised TFRSs effective since the year 2013 with no material effect on financial statements with amendments and interpretations on current TFRSs

Amendments to TFRS 7 *Offsetting Financial Assets and Financial Liabilities and the related disclosures*

The amendments to TFRS 7 require entities to disclose information about rights of offset and related arrangements (such as collateral posting requirements) for financial instruments under an enforceable master netting agreement or similar arrangement.

***Annual Improvements to TFRSs 2009 - 2011 Cycle* issued in May 2012**

- Amendments to TAS 16 *Property, Plant and Equipment*;
- Amendments to TAS 32 *Financial Instruments: Presentation*
- Amendments to TAS 34 *Interim Financial Reporting*

Amendments to TAS 16

The amendments to TAS 16 clarify that spare parts, stand-by equipment and servicing equipment should be classified as property, plant and equipment when they meet the definition of property, plant and equipment in TAS 16 and as inventory otherwise. Amendments to TAS 16 have no significant effect on the Group's consolidated financial statements.

(Amounts expressed in thousand of Turkish Lira ("TRL") unless otherwise indicated.)

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

2.4 New and revised Turkish Financial Reporting Standards (continued)

b) New and Revised TFRSs effective since the year 2013 with no material effect on financial statements with amendments and interpretations on current TFRSs (continued)

Amendments to TAS 32

The amendments to TAS 32 clarify that income tax relating to distributions to holders of an equity instrument and to transaction costs of an equity transaction should be accounted for in accordance with TAS 12 *Income Taxes*. Amendments to TAS 32 have no significant effect on the Group's consolidated financial statements.

Amendments to TAS 34

The amendments to TAS 34 clarify that disclosure of the total assets and total liabilities for a particular reportable segment is only required if a measure of total assets or total liabilities (or both) is regularly provided to the chief operating decision maker and there has been a material change in those measures since the last annual financial statements. The amendments to TAS 34 did not have an effect on the Group's consolidated financial statements.

IFRIC 20 *Stripping Costs in the Production Phase of a Surface Mine*

IFRIC 20 *Stripping Costs in the Production Phase of a Surface Mine* applies to waste removal costs that are incurred in surface mining activity during the production phase of the mine (production stripping costs). Under the Interpretation, the costs from this waste removal activity (stripping) which provide improved access to ore is recognized as a non-current asset (stripping activity asset) when certain criteria are met, whereas the costs of normal on-going operational stripping activities are accounted for in accordance with TAS 2 *Inventories*. The stripping activity asset is accounted for as an addition to, or as an enhancement of, an existing asset and classified as tangible or intangible according to the nature of the existing asset of which it forms part.

IFRIC 20 is effective for annual periods beginning on or after 1 January 2013. Specific transitional provisions are provided to entities that apply IFRIC 20 for the first time. However, IFRIC 20 must be applied to production stripping costs incurred on or after the beginning of the earliest period presented. The Group management anticipates that IFRIC 20 will have no effect to the Group's financial statements as the Group does not engage in such activities.

c) New and Revised TFRSs in issue but not yet effective

The Group has not applied the following new and revised TFRSs that have been issued but are not yet effective:

TFRS 9	*Financial Instruments*[2]
Amendments to TFRS 9 ve TFRS 7	*Mandatory Effective Date of TFRS 9 and Transition Disclosures*[2]
Amendments to TAS 32	*Offsetting Financial Assets and Financial Liabilities*[1]

[1] Effective for annual periods beginning on or after 1 January 2014.
[2] Effective for annual periods beginning on or after 1 January 2015.

(Amounts expressed in thousand of Turkish Lira ("TRL") unless otherwise indicated.)

NOTE 3 - INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD

	30 June 2013	31 December 2012
Associates		
Vitra Karo	-	-
Ekom	17,003	16,634
ESH	-	217
Joint Ventures		
Eczacıbaşı-Monrol	49,220	53,922
ESK	1,699	1,998
EBX	31,634	56,847
	99,556	**129,618**

	2013	2012
As of 1 January	129,618	173,454
The Group's share in investments accounted for using equity method' profit / (loss)	(30,493)	(14,656)
Change in the fair value of available-for-sale financial assets	(34)	301
Increases due to currency translation differences	465	(452)
As of 30 June	**99,556**	**158,647**

The Group's share in the assets, liabilities as of 30 June 2013 and 31 December 2012, net sales of the associates for the periods ended 30 June are presented below:

	30 June 2013				
	Assets	Liabilities	Net sales	Net profit / (loss) for the period	Total proportion of ownership interests (%)
Ekom	1,273,081	1,208,594	507,269	400	26%
Vitra Karo	803,684	869,893	372,484	(924)	25%
ESH	10,215	10,504	10,507	(213)	48%
Eczacıbaşı-Monrol	218,178	119,931	43,432	(4,244)	50%
ESK	10,245	6,630	10,243	(299)	47%
EBX	289,929	226,654	192,368	(25,213)	50%
				(30,493)	

(Amounts expressed in thousand of Turkish Lira ("TRL") unless otherwise indicated.)

NOTE 3 - INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD (Continued)

	31 December 2012		30 June 2012		
	Assets	Liabilities	Net sales	Net profit / (loss) for the period	Total proportion of ownership interests (%)
Ekom	1,055,306	992,203	456,861	331	26%
Vitra Karo	724,482	771,626	364,815	1,671	25%
ESH	5,389	4,948	8,864	(887)	48%
Eczacıbaşı-Monrol	201,224	93,380	30,416	304	50%
ESK	9,821	5,570	9,385	160	47%
EBC (*)	-	-	78,714	6,688	50%
EBX	257,079	143,377	194,088	(22,923)	50%
				(14,656)	

(*) The Group has sold all shares in EBC to its partner Beiersdorf AG on 27 December 2012.

NOTE 4 - SEGMENT REPORTING

The Group determined its operating segments based upon the reports reviewed and used by the Board of Directors while giving strategic decisions.

During evaluations made for the requirements of TFRS 8 "Operating Segments" effective as of 1 January 2009, the Group decided that operating segments shown below in the disclosures prepared in line with CMB requirements are compatible with the reports presented to Decision Making Authorities related to current operations and that there is no new reportable segment.

The Group continues to operate primarily in three reportable segments as of 30 June 2013:

1. Health:

Production and sale of human health and veterinary medicine.

2. Personal care:

Production, marketing and sale of personal care and consumption products.

3. Real estate development:

Kanyon:

The sale and lease of the real estate constructed with a 50% - 50% partnership with İş Gayrimenkul Yatırım Ortaklığı A.Ş. ("İŞ GYO") located on Büyükdere Caddesi, in the Şişli district of Istanbul. The lease regards to half of the shopping mall and whole of the office building.

Ormanada project:

On 31 December 2007, the Company acquired half of the 22 pieces of land with a total area of 196,409.74 m² in Yorgancı Çiftliği Mevkii, Uskumru Mahallesi, Sarıyer district in Istanbul. The remaining half belongs to Eczacıbaşı Holding A.Ş. The aforementioned real estates are apt for residential and partially trade centre development and construction.

(Amounts expressed in thousand of Turkish Lira ("TRL") unless otherwise indicated.)

NOTE 4 - SEGMENT REPORTING (Continued)

3. Real estate development (continued):

Ormanada project (continued):

Total planned construction area amounts to 90 thousand m². Architectural practices with various architecture group works within the scope of the project development operations, interior decoration and infrastructure practices have been completed for this construction project. Process for receiving of construction licences for the buildings is continuing. Acquisition value of the land and the costs attributable to this project are presented in inventories in the consolidated financial statements (Note 10). Sales and cost of residential units that the delivery started at April 2013 are presented in the revenue and cost of sales in the financial statements.

Ayazağa facilities leased to EBX:

Lease is related to serum facilities located in Ayazağa district of Istanbul.

Eczacıbaşı Gayrimenkul:

Providing consulting services regarding land development and project management to Eczacıbaşı Group companies which are operating in real estate development sector.
Segment assets consist of cash and cash equivalents, trade and other receivables, inventories, tangible and intangible assets and other current and non-current assets. Financial assets at fair value through profit or loss, financial assets available for sale and deferred tax assets are excluded from segment assets.

Segment liabilities consist of liabilities related to operations. Current and deferred tax liabilities, financial liabilities and financial liabilities provided by related parties are excluded from segment liabilities.

Capital expenditures consist of purchases of tangible and intangible assets, investment property and goodwill arisen as a result of acquisitions in the current year.

Capital expenditures consist of purchases of tangible and intangible assets, investment property and goodwill arisen as a result of acquisitions in the current year.

Segment assets and liabilities as of 30 June 2013 and 31 December 2012:

	30 June 2013		31 December 2012	
	Assets	**Liabilities**	**Assets**	**Liabilities**
Health	74,198	(66,482)	71,870	(55,233)
Personal care	435,957	(279,884)	344,418	(191,195)
Real estate development	386,430	(97,516)	387,932	(118,427)
Undistributed	2,511,147	(95,325)	2,556,481	(90,211)
Total	**3,407,732**	**(539,207)**	**3,360,701**	**(455,066)**

(Amounts expressed in thousand of Turkish Lira ("TRL") unless otherwise indicated.)

NOTE 4 - SEGMENT REPORTING (Continued)

Capital expenditures and non-cash expenses of segments for the interim periods ended 30 June:

1 January - 30 June 2013	**Health**	**Personal care**	**Real estate development**	**Undistributed**	**Inter-segment elimination**	**Total**
Capital expenditures (Notes 13, 14 and 15)	914	2,230	247	-	-	**3,391**
Non-cash expenses:						
- Depreciation and amortisation (Notes 13, 14 and 15)	1,017	2,382	2,962	-	-	**6,361**
- Provision for diminution in value of inventories (Note 10)	1,259	2,548	-	-	-	**3,807**
- Provision for employment termination benefits and actuarial loss (Note 17)	407	566	51	-	-	**1,024**
- Provision for unused vacation (Note 17)	529	342	4	-	-	**875**
- Provision for doubtful receivables (Note 9)	1	185	-	-	-	**186**
- Expense accruals (Note 9)	70	280	-	-	-	**350**
	3,283	**6,303**	**3,017**	**-**	**-**	**12,603**

1 January - 30 June 2012						
Capital expenditures (Notes 13, 14 and 15)	1,262	13,282	1,467	-	-	**16,011**
Non-cash expenses:						
- Depreciation and amortisation (Notes 13, 14 and 15)	1,165	1,053	3,039	-	-	**5,257**
- Provision for diminution in value of inventories (Note 10)	305	316	-	-	-	**621**
- Provision for employment termination benefits and actuarial loss (Note 17)	293	259	43	-	-	**595**
- Provision for unused vacation (Note 17)	499	549	78	-	-	**1,126**
- Provision for doubtful receivables (Note 9)	81	1,701	-	-	-	**1,782**
- Expense accruals	67	192	93	-	-	**352**
	2,410	**4,070**	**3,253**	**-**	**-**	**9,733**

(Amounts expressed in thousand of Turkish Lira ("TRL") unless otherwise indicated.)

NOTE 4 - SEGMENT REPORTING (Continued)

Segment results for the interim periods ended 30 June:

1 January - 30 June 2013	**Health**	**Personal care**	**Real estate development**	**Undistributed**	**Inter-segment elimination**	**Total**
Total sales	58,667	423,541	141,920	9	-	**624,137**
Elimination of sales within the Group (-)	-	(3,771)	(35,764)	-	-	**(39,535)**
Sales to third parties	58,667	419,770	106,156	9	-	**584,602**
Cost of sales (-)	(32,564)	(364,623)	(82,091)	-	-	**(479,278)**
Gross profit	**26,103**	**55,147**	**24,065**	**9**	**-**	**105,324**
Marketing, sales and distribution expenses (-)	(21,034)	(30,125)	(4,633)	-	-	**(55,792)**
General administrative expenses (-)	(15,329)	(16,238)	(698)	(3,472)	-	**(35,737)**
Research and development expenses (-)	-	(515)	-	-	-	**(515)**
Other operating income	1,633	3,873	48	64,419	-	**69,973**
Other operating expenses (-)	(3,715)	(7,326)	(339)	(14,194)	-	**(25,574)**
Operating (loss) / profit	**(12,342)**	**4,816**	**18,443**	**46,762**	**-**	**57,679**

1 April - 30 June 2013						
Total sales	29,865	220,905	88,255	4	-	**339,029**
Elimination of sales within the Group (-)	-	6,894	(14,461)	-	-	**(7,567)**
Sales to third parties	29,865	227,799	73,794	4	-	**331,462**
Cost of sales (-)	(17,874)	(199,483)	(59,275)	-	-	**(276,632)**
Gross profit	**11,991**	**28,316**	**14,519**	**4**	**-**	**54,830**
Marketing, sales and distribution expenses (-)	(10,454)	(12,852)	(2,250)	-	-	**(25,556)**
General administrative expenses (-)	(7,435)	(8,545)	(326)	(2,439)	-	**(18,745)**
Research and development expenses (-)	-	(253)	-	-	-	**(253)**
Other operating income	1,095	1,880	24	46,392	-	**49,391**
Other operating expenses (-)	(1,836)	(5,820)	(25)	(3,036)	-	**(10,717)**
Operating (loss) / profit	**(6,639)**	**2,726**	**11,942**	**40,921**	**-**	**48,950**

(Amounts expressed in thousand of Turkish Lira ("TRL") unless otherwise indicated.)

NOTE 4 - SEGMENT REPORTING (Continued)

Segment results for the interim periods ended 30 June: (continued)

1 January - 30 June 2012	Health	Personal care	Real estate development	Undistributed	Inter-segment elimination	Total
Total sales	52,782	355,657	57,683	7	-	**466,129**
Elimination of sales within the Group (-)	-	-	(18,781)	-	-	**(18,781)**
Sales to third parties	52,782	355,657	38,902	7	-	**447,348**
Cost of sales (-)	(32,057)	(313,860)	(22,838)	-	-	**(368,755)**
Gross profit	**20,725**	**41,797**	**16,064**	**7**	**-**	**78,593**
Marketing, sales and distribution expenses (-)	(18,042)	(21,203)	(4,034)	-	-	**(43,279)**
General administrative expenses (-)	(13,982)	(13,366)	(1,670)	(3,297)	-	**(32,315)**
Research and development expenses (-)	-	-	-	-	-	**-**
Other operating income	3,817	5,056	34	41,908	-	**50,815**
Other operating expenses (-)	(2,851)	(5,091)	(184)	(48,829)	-	**(56,955)**
Operating (loss) / profit	**(10,333)**	**7,193**	**10,210**	**(10,211)**	**-**	**(3,141)**

1 April - 30 June 2012	Health	Personal care	Real estate development	Undistributed	Inter-segment elimination	Total
Total sales	26,427	186,808	34,021	3	-	**247,259**
Elimination of sales within the Group (-)	-	-	(11,855)	-	4	**(11,851)**
Sales to third parties	26,427	186,808	22,166	3	4	**235,408**
Cost of sales (-)	(15,532)	(164,739)	(13,943)	-	(4)	**(194,218)**
Gross profit	**10,895**	**22,069**	**8,223**	**3**	**-**	**41,190**
Marketing, sales and distribution expenses (-)	(9,171)	(10,593)	(2,325)	51	-	**(22,038)**
General administrative expenses (-)	(7,037)	(7,682)	(722)	(2,304)	-	**(17,745)**
Research and development expenses (-)	-	-	-	-	-	**-**
Other operating income	445	3,272	13	22,361	-	**26,091**
Other operating expenses (-)	(979)	(3,108)	(111)	(16,771)	-	**(20,969)**
Operating (loss) / profit	**(5,847)**	**3,958**	**5,078**	**3,340**	**-**	**6,529**

(Amounts expressed in thousand of Turkish Lira ("TRL") unless otherwise indicated.)

NOTE 4 - SEGMENT REPORTING (Continued)

Confirmation of operating profits related to operating segments with profit before tax:

	1 January - 30 June 2013	1 April - 30 June 2013	1 January - 30 June 2012	1 April - 30 June 2012
Operating profits related to operating segments	10,917	8,029	7,070	3,189
Undistributed expenses (-)	46,762	40,921	(10,211)	3,340
Inter-segment elimination	-	-	-	-
Losses shares from associates	(30,493)	(25,371)	(14,656)	(14,782)
Income from investing activities	8,653	8,126	7,943	7,941
Expenses from investing activities	(22)	(5)	(15)	-
Financial income	-	-	1,391	4
Financial expenses (-)	(2,237)	(1,471)	(1,866)	(831)
Profit / (loss) before tax	**33,580**	**30,229**	**(10,344)**	**(1,139)**

NOTE 5 - CASH AND CASH EQUIVALENTS

	30 June 2013	31 December 2012
Cash in hand	46	38
Banks	678,084	705,021
- demand deposits	7,188	2,919
- time deposits	670,896	702,102
Other liquid assets	1	109
	678,131	**705,168**

Interest rates for TRL denominated time deposits vary between 6.50% and 7.30% (31 December 2012: 5.25% - 9.70%), whereas interest rates for foreign currency denominated time deposits vary between 0.75% and 2.80% (31 December 2012: 1.00% - 3.80%). The weighted average interest rates per annum for TRL, USD and EUR denominated time deposits are 7.00%, 2.77% ve 2.79%, respectively (31 December 2012: 8.61%, 3.12% and 3.25%).

Cash and cash equivalents included in the consolidated statements of cash flows for the interim periods ended 30 June are presented below:

	30 June 2013	31 December 2012	30 June 2012	31 December 2011
Cash and cash equivalents	678,131	705,168	655,584	754,624
Interest accruals (-)	(1,248)	(1,176)	(1,576)	(1,920)
	676,883	**703,992**	**654,008**	**752,704**

Cash and cash equivalents amounting TRL 7,500 thousand (31 December 2012: TRL 7,500 thousand) which was blocked in order to be used in continuing operations and fulfil the obligations of the Group, have been reclassed separately in "Other Current Assets".

(Amounts expressed in thousand of Turkish Lira ("TRL") unless otherwise indicated.)

NOTE 6 - FINANCIAL INVESTMENTS

The details of financial investments included in current assets as of 30 June 2013 and 31 December 2012 are as follows:

	30 June 2013	31 December 2012
Financial assets at fair value through profit and loss	317	372
Financial investments, current	**317**	**372**
Financial assets available-for-sale	1,751,681	1,752,570
Financial assets at fair value through profit and loss	2,882	3,192
Financial investments, non-current	**1,754,563**	**1,755,762**

IFRS 7 explains the classifications of valuation techniques.

The classification of financial instruments at fair value is shown as following:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities;

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices);

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

According to the observability of the data used in fair value measurement, the fair value hierarchy of the Group's financial assets at fair value is shown as follows:

30 June 2013	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit and loss	-	317	-	317
Financial investments, current	**-**	**317**	**-**	**317**
Financial assets available-for-sale	249,923	242,329	1,259,429	1,751,681
Financial assets at fair value through profit and loss	-	2,882	-	2,882
Financial investments, non-current	**249,923**	**245,211**	**1,259,429**	**1,754,563**

31 December 2012	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit and loss	-	372	-	372
Financial investments, current	**-**	**372**	**-**	**372**
Financial assets available-for-sale	250,812	242,329	1,259,429	1,752,570
Financial assets at fair value through profit and loss	-	3,192	-	3,192
Financial investments, non-current	**250,812**	**245,521**	**1,259,429**	**1,755,762**

(Amounts expressed in thousand of Turkish Lira ("TRL") unless otherwise indicated.)

NOT 6 - FINANCIAL INVESTMENTS (Continued)

a) Financial assets at fair value through profit and loss:

Financial assets at fair value related to income statements portfolio consist of international financial investment instruments and national liquid funds.

The Group expects to transfer the investments in foreign portfolio accounts amounted to TRL 317 thousand (31 December 2012: TRL 372 thousand) in one year period from balance sheet date, remaining balance of TRL 2,882 thousand (31 December 2012: TRL 3,192 thousand) in following periods to the depository accounts in Turkey.

b) Available-for-sale financial assets:

Long-term available-for-sale financial assets:

The list of long-term available for sale financial assets as of 30 June 2013 and 31 December 2012 is as follows:

Listed:	**30 June 2013**	**%**	**31 December 2012**	**%**
Eczacıbaşı Yatırım Ortaklığı A.Ş. (*)	3,150	15	3,812	15
İntema İnşaat ve Tesisat Malzemeleri Yatırım ve Pazarlama A.Ş. (*)	695	2	920	2
Türkiye İş Bankası A.Ş. (*)	30	<1	32	<1
Ak Enerji Elektrik Üretim A.Ş. (*) (**)	<1	<1	<1	<1
Eczacıbaşı Yapı Gereçleri San. ve Tic. A.Ş. (*) (**)	<1	<1	<1	<1
	3,875		**4,764**	
Not listed:				
Eczacıbaşı Holding A.Ş. (***)	1,747,158	37	1,747,158	37
Eczacıbaşı Bilişim Sanayi ve Ticaret A.Ş. (***)	552	14	552	14
Eczacıbaşı Menkul Değerler A.Ş. (***)	68	1	68	1
Other (***)	28		28	
	1,747,806		**1,747,806**	
Total	**1,751,681**		**1,752,570**	

(*) Fair values of financial assets in listed companies are calculated based on current market prices.

(**) As of 30 June 2013, the market prices of Ak Enerji Elektrik Üretim A.Ş. and Eczacıbaşı Yapı Gereçleri Sanayi ve Ticaret A.Ş. are TRL 140 and TRL 682 respectively (31 December 2012: TRL 165 and TRL 857).

(***) Based on the impairment analysis performed for available for sale investments during the interim period, the Group concluded that there isn't any indication for impairment. In this respect, fair value determination study performed as of 31 December 2012, has not been updated for interim period.

(Amounts expressed in thousand of Turkish Lira ("TRL") unless otherwise indicated.)

NOTE 7 - FINANCIAL LIABILITIES

	30 June 2013		31 December 2012	
	Effective interest rate per annum (%) (*)	TRL	Effective interest rate per annum (%) (*)	TRL
TRL denominated bank borrowings	5.55 - 7.50	63,013	8.00 - 13.25	31,769
Short-term bank borrowings		**63,013**		**31,769**
TRL denominated bank borrowings	-	-	8.00 - 13.25	63
Long-term bank borrowings		**-**		**63**
Total financial liabilities		**63,013**		**31,832**

(*) Annual weighted interest rate of TRL denominated short-term bank borrowings are 6.88%, (31 December 2012: 8.35%).

As at balance sheet date, the Group's risk due to interest rate changes is as follows:

	30 June 2013	31 December 2012
6 months and less	63,013	31,832
Total	**63,013**	**31,832**

(Amounts expressed in thousand of Turkish Lira ("TRL") unless otherwise indicated.)

NOTE 8 - TRANSACTIONS AND BALANCES WITH RELATED PARTIES

a) Balances with related parties at 30 June 2013 and 31 December 2012:

Short-term trade receivables from related parties	30 June 2013	31 December 2012
Due from shareholders		
Eczacıbaşı Holding A.Ş.	1,638	22
	1,638	**22**
Due from Joint Ventures		
Eczacıbaşı-Baxter Hastane Ürünleri Sanayi ve Ticaret A.Ş.	510	358
Eczacıbaşı-Monrol Nükleer Ürünler Sanayi ve Ticaret A.Ş.	27	24
Eczacıbaşı-Schwarzkopf Kuaför Ürünleri Pazarlama A.Ş.	586	-
	1,123	**382**
Due from Associates		
Ekom Eczacıbaşı Dış Ticaret A.Ş.	103	63
Eczacıbaşı Sağlık Hizmetleri A.Ş.	4	107
Vitra Karo Sanayi ve Ticaret A.Ş.	2	1
	109	**171**
Due from other related parties		
İpek Kağıt Sanayi ve Ticaret A.Ş.	5,930	-
Kanyon Yönetim İşletim ve Pazarlama Ltd. Şti.	2,016	231
Eczacıbaşı Yapı Gereçleri Sanayi ve Ticaret A.Ş.	127	110
ESİ Eczacıbaşı Sigorta Acenteliği A.Ş.	17	-
Others	8	16
	8,098	**357**
Short-term due from related parties	**10,968**	**932**

Average maturity of the Group's receivables from related parties is 112 days (31 December 2012: 61 days) and is amortised at 5.89% per annum (31 December 2012: 7.18%).

Dividend receivables from related parties	30 June 2013	31 December 2012
Eczacıbaşı Holding A.Ş.	7,941	-
Short term other receivables from related parties	**7,941**	**-**

(Amounts expressed in thousand of Turkish Lira ("TRL") unless otherwise indicated.)

NOTE 8 - TRANSACTIONS AND BALANCES WITH RELATED PARTIES (Continued)

a) Balances with related parties at 30 June 2013 and 31 December 2012 (continued):

Short-term trade payables to related parties	30 June 2013	31 December 2012
Due to shareholders		
Eczacıbaşı Holding A.Ş.	2,353	6,503
	2,353	**6,503**
Due to Joint Ventures		
Eczacıbaşı-Schwarzkopf Kuaför Ürünleri Pazarlama A.Ş.	5,133	3,116
Eczacıbaşı-Baxter Hastane Ürünleri Sanayi ve Ticaret A.Ş.	216	7
	5,349	**3,123**
Due to Associates		
Ekom Eczacıbaşı Dış Ticaret A.Ş.	52	2
Eczacıbaşı Sağlık Hizmetleri A.Ş.	21	14
	73	**16**
Due to other related parties		
İpek Kağıt Sanayi ve Ticaret A.Ş.	87,011	85,500
İntema İnşaat ve Tesisat Mlz. Yatırım ve Paz. A.Ş.	3,615	1,407
ESİ Eczacıbaşı Sigorta Acenteliği A.Ş.	1,734	32
Eczacıbaşı Bilişim Sanayi ve Ticaret A.Ş.	285	400
Kanyon Yönetim İşletim ve Pazarlama Ltd. Şti.	239	181
Others	10	-
	92,894	**87,520**
	100,669	**97,162**
Deferred credit finance expenses (-)	(250)	(250)
Short-term due to related parties	**100,419**	**96,912**

Average maturity of the Group's payables to related parties is 112 days (31 December 2012: 87 days) and is amortised at 7.05% per annum (31 December 2012: 5.69%).

Dividend payables to related parties	30 June 2013	31 December 2012
Eczacıbaşı Holding A.Ş.	2,876	-
Eczacıbaşı Family	524	-
Short-term other payables to related parties	**3,400**	**-**

(Amounts expressed in thousand of Turkish Lira ("TRL") unless otherwise indicated.)

NOTE 8 - TRANSACTIONS AND BALANCES WITH RELATED PARTIES (Continued)

b) Transactions with related parties for six months period ended 30 June:

Product sales	1 January - 30 June 2013	1 April - 30 June 2013	1 January - 30 June 2012	1 April - 30 June 2012
Eczacıbaşı-Baxter Hastane Ürünleri San. ve Tic. A.Ş.	948	300	1,728	649
Ekom Eczacıbaşı Dış Ticaret A.Ş.	963	503	929	657
Others	37	35	5	3
	1,948	**838**	**2,662**	**1,309**

Service sales	1 January - 30 June 2013	1 April - 30 June 2013	1 January - 30 June 2012	1 April - 30 June 2012
Eczacıbaşı Holding A.Ş.	43,098	21,783	18,645	11,723
İpek Kağıt Sanayi ve Ticaret A.Ş.	30,710	18,137	29,991	26,847
Eczacıbaşı-Schwarzkopf Kuaför Ürünleri Pazarlama A.Ş.	3,392	2,129	3,137	1,858
EBC Eczacıbaşı Beiersdorf Kozmetik Ürn. San. ve Tic. A.Ş.	-	-	21,139	19,201
Others	8	5	1	-
	77,208	**42,054**	**72,913**	**59,629**

Product purchases	1 January - 30 June 2013	1 April - 30 June 2013	1 January - 30 June 2012	1 April - 30 June 2012
İpek Kağıt Sanayi ve Ticaret A.Ş.	150,607	81,801	154,467	76,835
Eczacıbaşı-Schwarzkopf Kuaför Ürünleri Pazarlama A.Ş.	12,627	7,063	11,536	6,115
Eczacıbaşı-Baxter Hastane Ürünleri San. ve Tic. A.Ş.	661	179	1,106	340
EBC Eczacıbaşı Beiersdorf Kozmetik Ürn. San. ve Tic. A.Ş.	-	-	91,841	48,382
Others	3	2	14	3
	163,898	**89,045**	**258,964**	**131,675**

Service purchases	1 January - 30 June 2013	1 April - 30 June 2013	1 January - 30 June 2012	1 April - 30 June 2012
İntema İnşaat ve Tesisat Mlz. Yatırım ve Paz. A.Ş.	4,306	2,819	356	95
Kanyon Yönetim İşletim ve Pazarlama Ltd. Şti.	2,412	1,182	2,538	1,382
Eczacıbaşı Bilişim Sanayi ve Ticaret A.Ş.	538	190	491	202
Eczacıbaşı Holding A.Ş.	335	179	143	33
Eczacıbaşı Sağlık Hizmetleri A.Ş.	95	70	65	46
Others	48	22	-	-
	7,734	**4,462**	**3,593**	**1,758**

(Amounts expressed in thousand of Turkish Lira ("TRL") unless otherwise indicated.)

NOTE 8 - TRANSACTIONS AND BALANCES WITH RELATED PARTIES (Continued)

b) Transactions with related parties for six months period ended 30 June (continued):

Financial income	1 January - 30 June 2013	1 April - 30 June 2013	1 January - 30 June 2012	1 April - 30 June 2012
Eczacıbaşı Bilişim Sanayi ve Ticaret A.Ş.	22	21	8	3
ESİ Eczacıbaşı Sigorta Acenteliği A.Ş.	7	2	13	2
	29	**23**	**21**	**5**

Financial expenses	1 January - 30 June 2013	1 April - 30 June 2013	1 January - 30 June 2012	1 April - 30 June 2012
İpek Kağıt Sanayi ve Ticaret A.Ş.	1,221	643	1,878	1,058
EBC Eczacıbaşı Beiersdorf Kozmetik Ürn. San. ve Tic. A.Ş.	-	-	1,075	843
Others	102	23	112	52
	1,323	**666**	**3,065**	**1,953**

c) Other transactions with related parties for six months period ended 30 June:

Management and royalty fees paid to related parties	1 January - 30 June 2013	1 April - 30 June 2013	1 January - 30 June 2012	1 April - 30 June 2012
Eczacıbaşı Holding A.Ş. (*)	5,197	2,722	5,101	2,615
	5,197	**2,722**	**5,101**	**2,615**

(*) Management fees paid to Eczacıbaşı Holding A.Ş. comprise law, financial corporate identity, budget planning, audit and human resource services received from Eczacıbaşı Holding A.Ş. These expenses are billed for relevant services in proportion to the time spent by the relevant department of Eczacıbaşı Holding A.Ş.

Rent income received from related parties	1 January - 30 June 2013	1 April - 30 June 2013	1 January - 30 June 2012	1 April - 30 June 2012
Eczacıbaşı Holding A.Ş.	1,583	792	1,508	754
Eczacıbaşı-Baxter Hastane Ürünleri San. ve Tic. A.Ş.	830	423	813	410
İpek Kağıt Sanayi ve Ticaret A.Ş.	262	131	401	200
ESİ Eczacıbaşı Sigorta Acenteliği A.Ş.	86	43	82	41
İntema İnşaat ve Tesisat Mlz. Yatırım ve Paz. A.Ş.	42	21	39	20
Others	59	34	321	313
	2,862	**1,444**	**3,164**	**1,738**

Rent expenses paid to related parties	1 January - 30 June 2013	1 April - 30 June 2013	1 January - 30 June 2012	1 April - 30 June 2012
Eczacıbaşı Holding A.Ş.	963	486	1,140	665
Eczacıbaşı Bilişim Sanayi ve Ticaret A.Ş.	100	54	157	130
	1,063	**540**	**1,297**	**795**

(Amounts expressed in thousand of Turkish Lira ("TRL") unless otherwise indicated.)

NOTE 8 - TRANSACTIONS AND BALANCES WITH RELATED PARTIES (Continued)

c) Other transactions with related parties for six months ended period 30 June (continued):

Other expenses paid to related parties	1 January - 30 June 2013	1 April - 30 June 2013	1 January - 30 June 2012	1 April - 30 June 2012
Eczacıbaşı Holding A.Ş.	164	47	206	88
Kanyon Yönetim İşletim ve Pazarlama Ltd. Şti.	153	104	107	107
Eczacıbaşı-Baxter Hastane Ürünleri San. ve Tic. A.Ş.	33	16	29	15
Others	104	73	53	45
	454	**240**	**395**	**255**

Donations paid to related parties	1 January - 30 June 2013	1 April - 30 June 2013	1 January - 30 June 2012	1 April - 30 June 2012
Dr. Nejat F. Eczacıbaşı Vakfı	415	149	651	315
	415	**149**	**651**	**315**

The Group purchases computer hardware, computer by products and related consumable products from Eczacıbaşı Bilişim Sanayi ve Ticaret A.Ş.; sanitary ware and related consumable products from İntema İnşaat ve Tesisat Malzemeleri Yatırım ve Pazarlama A.Ş. and various raw materials, finished goods and merchandise from other group companies.

The Group renders services related to administration of Kanyon complex from Kanyon Yönetim İşletim ve Pazarlama Ltd. Şti.; IT consultancy services and technical services related to maintenance, operation, update, breakdown and system support from Eczacıbaşı Bilişim Sanayi ve Ticaret A.Ş.; financial audit and consultancy, human resources, social affairs, finance, budget, corporate communication, legal, IT systems, communication, technical training etc. services from Eczacıbaşı Holding A.Ş.; advertisement services from Eczacıbaşı Spor Kulübü; custom clearance and brokerage services for export registered sales from Ekom Eczacıbaşı Dış Ticaret A.Ş. health services from Eczacıbaşı Sağlık Hizmetleri A.Ş.; and various other services from other group companies.

Within the context of real estate operations, the Group provide audit, follow-up and subcontractor management services to Eczacıbaşı Holding A.Ş. related to construction process of co-executed Ormanada Project as detailed in Note 30.

The Group generates rent income from offices located in Kanyon and real estates located in Ayazağa.

The Group performs the sale and distribution of medical, healthcare and consumer products of Eczacıbaşı Group. In this context Group makes merchandise purchase from İpek Kağıt Sanayi ve Ticaret A.Ş. and Eczacıbaşı-Schwarzkopf Kuaför Ürünleri Pazarlama A.Ş. and generates revenue from the services related to storage, transportation and sale of those merchandises.

The Group does not have any contingent assets or liabilities caused by related party transactions as of 30 June 2013 and 31 December 2012.

Benefits provided to top management:

The Group has determined key management personnel as board members, group presidents, vice-presidents and general manager.

Short term benefits provided to key management personnel consists of salaries, premiums, social insurance related payments, health insurance and seniority incentive award. Long term benefits provided to key management personnel consists of employee termination benefits paid to discharged key management personnel due to retirement and/or transfer and service award payments.

(Amounts expressed in thousand of Turkish Lira ("TRL") unless otherwise indicated.)

NOTE 8 - TRANSACTIONS AND BALANCES WITH RELATED PARTIES (Continued)

c) Other transactions with related parties for six months ended period 30 June (continued):

Benefits provided to top management (continued):

As of 30 June, detail of compensation amounts provided to key management personnel is as follows:

Key management personnel compensation	2013	2012
Short term benefits provided to key management personnel	11,346	10,148
Long term benefits provided to key management personnel	-	-
As of 30 June	**11,346**	**10,148**

NOTE 9 – TRADE RECEIVABLES AND PAYABLES

a) Trade receivables:

Short-term trade receivables:	30 June 2013	31 December 2012
Trade receivables	230,375	147,684
Notes receivables	37,155	33,002
Income accruals	786	609
	268,316	**181,295**
Deferred credit finance income (-)	(667)	(654)
Provision for doubtful receivables (-)	(7,655)	(7,484)
Short-term trade receivables, net	**259,994**	**173,157**

As of 31 March 2013, long-term trade receivables amounting to TRL 2,257 thousand (31 December 2012: TRL 2,916 thousand), composed of the notes receivables obtained in exchange down payments of preliminary contracts related to real estates, which will be built as a part of "Ormanada" real estate project with 50% ownership the Group and 50% ownership of Eczacıbaşı Holding A.Ş. in the province of Istanbul and in the district of Zekeriyaköy.

Average maturity of the Group's receivables is 69 days (31 December 2012: 70 days) and TRL denominated trade receivables are amortised at 6.04% per annum (31 December 2012: 5.79%).

	2013	2012
As of 1 January	7,484	4,463
Charge for the period (Note 21)	186	1,782
Collections (Note 23)	(15)	(5)
As of 30 June	**7,655**	**6,240**

Credit risk and aging analysis related to trade receivables are explained in Note 28.

(Amounts expressed in thousand of Turkish Lira ("TRL") unless otherwise indicated.)

NOTE 9 - TRADE RECEIVABLES AND PAYABLES (Continued)

b) Trade payables:

Short-term trade payables	**30 June 2013**	**31 December 2012**
Trade payables	173,668	107,847
Notes payables	46	7,938
Expense accruals	350	1,032
Deferred credit finance expenses (-)	(255)	(335)
Short-term trade payables, net	**173,809**	**116,482**

Average maturity of the Group's payables is 86 days (31 December 2012: 97 days) and TRL denominated trade payables are amortised at 7.24% per annum (31 December 2012: 6.00%). EUR denominated trade payables are amortised at 0.20% per annum (31 December 2012: 0.61%) and USD denominated payables are amortised at 0.34% per annum (31 December 2012: 0.51%).

NOTE 10 - INVENTORIES

	30 June 2013	**31 December 2012**
Raw materials and supplies	11,264	14,111
Work in progress	251	287
Finished goods	11,237	7,082
Merchandise	20,057	16,610
Scrap goods	2,571	2,167
Other inventories	1,519	3,356
Lands	146,971	132,194
	193,870	**175,807**
Provision for diminution in value of inventories (-)	(11,959)	(8,152)
	181,911	**167,655**

The land in inventories refers to the land purchased by the Group in Zekeriyaköy as part of real estate development activities and project development costs incurred amounting to TRL 109,934 thousand (31 December 2012: TRL 95,157 thousand).

Movement of provision for diminution in value of inventories is presented below:

	2013	**2012**
As of 1 January	8,152	6,277
Charge for the period (Note 23)	3,807	621
Reversal of provisions	-	(986)
As of 30 June	**11,959**	**5,912**

(Amounts expressed in thousand of Turkish Lira ("TRL") unless otherwise indicated.)

NOTE 11 - PREPAID EXPENSES AND DEFERRED INCOME

Short-term prepaid expenses	30 June 2013	31 December 2012
Unearned revenue	3,370	580
Advances given	128	65
	3,498	**645**

Long-term prepaid expenses	30 June 2013	31 December 2012
Advances given to subcontractors	10,755	24,337
Others	509	589
	11,264	**24,926**

Short-term deferred income	30 June 2013	31 December 2012
Advances received (*)	71,549	80,053
Unearned revenue	1,167	1,342
	72,716	**81,395**

Long-term deferred income	30 June 2013	31 December 2012
Advances received (*)	2,257	10,777
Unearned revenue	3,401	3,646
	5,658	**14,423**

(*) Advances received presented in other non-current liabilities composed of down payments of preliminary contracts related to real estates, which will be built as a part of "Ormanada" real estate project with 50% ownership the Group and 50% ownership of Eczacıbaşı Holding A.Ş. in the province of Istanbul and in the district of Zekeriyaköy. Advances received presented in current liabilities amounting to TRL 71,546 thousand (31 December 2012: TRL 80,050 thousand) is also related to the down payments received from clients for the same abovementioned project.

NOTE 12 - CURRENT INCOME TAX ASSETS

Current income tax assets	30 June 2013	31 December 2012
Prepaid taxes and withholding taxes	9	2,182
	9	**2,182**

(Amounts expressed in thousand of Turkish Lira ("TRL") unless otherwise indicated.)

NOT 13 - INVESTMENT PROPERTIES

Cost	1 January 2013	Additions	Disposals	30 June 2013
Kanyon	228,754	195	-	228,949
Buildings	7,529	15	-	7,544
Lands and land improvements	204	-	-	204
	236,487	**210**	**-**	**236,697**
Accumulated depreciation				
Kanyon	32,604	2,738	-	35,342
Buildings	7,133	37	-	7,170
Lands and land improvements	87	2	-	89
	39,824	**2,777**	**-**	**42,601**
Carrying amount	**196,663**			**194,096**

Cost	1 January 2012	Additions	Disposals	30 June 2012
Kanyon	226,841	1,427	-	228,268
Buildings	7,584	15	-	7,599
Lands and land improvements	204	-	-	204
	234,629	**1,442**	**-**	**236,071**
Accumulated depreciation				
Kanyon	27,119	2,744	-	29,863
Buildings	7,069	38	-	7,107
Lands and land improvements	83	2	-	85
	34,271	**2,784**	**-**	**37,055**
Carrying amount	**200,358**			**199,016**

As of 31 December 2012, fair value of Kanyon is approximately TRL 538 million (consist of fair value of Kanyon shopping centre amounting TRL 262 million and fair value of Kanyon Office complex amounting TRL 276 million), which is calculated from net present value of estimated rent income of Kanyon shopping centre and office complex. Based on the impairment analysis performed for Kanyon during the interim period, the Group concluded that there isn't any indication for impairment. In this respect, fair value determination study performed as of 31 December 2012, has not been updated for interim period.

For the periods ending at 30 June, total rent income of Kanyon shopping centre and office complex is amounted to TRL 23,007 thousand (30 June 2012: TRL 20,286 thousand) and repair and maintenance expense of the related period is amounted to TRL 132 thousand (30 June 2012: TRL 40 thousand).

Depreciation expenses for the six months period ended 30 June are included in cost of services sold.

(Amounts expressed in thousand of Turkish Lira ("TRL") unless otherwise indicated.)

NOTE 14 - PROPERTY, PLANT AND EQUIPMENT

Cost	1 January 2013	Additions	Disposals	Transfers	30 June 2013
Land and land improvements	6,248	5	-	-	6,253
Buildings	40,099	2	-	-	40,101
Machinery, plant and equipment	47,660	445	(148)	-	47,957
Motor vehicles	1,946	23	(1,205)	-	764
Furniture and fixtures	14,713	499	(143)	-	15,069
Construction in progress	523	15	-	-	538
Leasehold improvements	3,286	41	(35)	-	3,292
Other tangible assets	9,156	79	(2)	-	9,233
	123,631	**1,109**	**(1,533)**	**-**	**123,207**
Accumulated depreciation					
Land improvements	184	8	-	-	192
Buildings	8,529	366	-	-	8,895
Machinery, plant and equipment	35,066	1,078	(147)	-	35,997
Motor vehicles	1,373	59	(747)	-	685
Furniture and fixtures	9,576	714	(102)	-	10,188
Leasehold improvements	1,798	132	(28)	-	1,902
Other tangible assets	8,556	102	(2)	-	8,656
	65,082	**2,459**	**(1,026)**	**-**	**66,515**
Carrying amount	**58,549**				**56,692**

Allocation of depreciation expenses is as follows: TRL 922 thousand in cost of goods sold, TRL 551 thousand in marketing, sales and distribution expenses, TRL 967 thousand in general and administrative expenses and TRL 19 thousand in research and development expenses.

(Amounts expressed in thousand of Turkish Lira ("TRL") unless otherwise indicated.)

NOTE 14 - PROPERTY, PLANT AND EQUIPMENT (Continued)

Cost	1 January 2012	Additions	Disposals	Transfers	30 June 2012
Land and land improvements	7,246	-	-	-	7,246
Buildings	23,267	12,406	-	-	35,673
Machinery, plant and equipment	36,296	196	(24)	-	36,468
Motor vehicles	496	-	-	-	496
Furniture and fixtures	12,985	223	(10)	-	13,198
Construction in progress	268	240	-	-	508
Leasehold improvements	1,602	73	-	-	1,675
Other tangible assets	9,076	116	-	-	9,192
	91,236	**13,254**	**(34)**	**-**	**104,456**
Accumulated depreciation					
Land improvements	176	8	-	-	184
Buildings	8,135	282	-	-	8,417
Machinery, plant and equipment	29,964	545	(10)	-	30,499
Motor vehicles	397	16	-	-	413
Furniture and fixtures	9,885	498	(1)	-	10,382
Leasehold improvements	1,331	38	-	-	1,369
Other tangible assets	8,501	126	-	-	8,627
	58,389	**1,513**	**(11)**	**-**	**59,891**
Carrying amount	**32,847**				**44,565**

Allocation of depreciation expenses is as follows: TRL 600 thousand in cost of goods sold, TRL 343 thousand in marketing, sales and distribution expenses, TRL 570 thousand in general and administrative expenses.

(Amounts expressed in thousand of Turkish Lira ("TRL") unless otherwise indicated.)

NOTE 15 - INTANGIBLE ASSETS

Cost	**1 January 2013**	**Additions**	**Disposals**	**Transfers**	**30 June 2013**
Customer relations, licenses and royalty	20,370	-	-	-	20,370
Rights	7,023	249	-	-	7,272
Computer software	10,938	120	-	-	11,058
Construction in progress	4,718	1,703	-	-	6,421
Other intangible assets	129	-	-	-	129
	43,178	**2,072**	**-**	**-**	**45,250**
Accumulated amortisation					
Rights	3,648	429	-	-	4,077
Computer software	7,980	694	-	-	8,674
Other intangible assets	126	2	-	-	128
	11,754	**1,125**	**-**	**-**	**12,879**
Carrying amount	**31,424**				**32,371**

Allocation of amortisation charge is as follows: TRL 423 thousand in cost of goods sold, TRL 252 thousand in marketing, sales and distribution expenses, TRL 442 thousand in general and administrative expenses and TRL 8 thousand in research and development expenses.

(Amounts expressed in thousand of Turkish Lira ("TRL") unless otherwise indicated.)

NOTE 15 - INTANGIBLE ASSETS (Continued)

Cost	1 January 2012	Additions	Disposals	Transfers	30 June 2012
Rights	5,610	60	-	-	5,670
Computer software	10,057	70	148	-	10,275
Construction in progress	2,896	1,183	(148)	-	3,931
Other intangible assets	128	2	-	-	130
	18,691	**1,315**	**-**	**-**	**20,006**
Accumulated amortisation					
Rights	2,670	306	-	-	2,976
Computer software	6,645	629	-	-	7,274
Other intangible assets	73	25	-	-	98
	9,388	**960**	**-**	**-**	**10,348**
Carrying amount	**9,303**				**9,658**

Allocation of amortisation charge is as follows: TRL 382 thousand in cost of goods sold, TRL 217 thousand in marketing, sales and distribution expenses and TRL 361 thousand in general and administrative expenses.

(Amounts expressed in thousand of Turkish Lira ("TRL") unless otherwise indicated.)

NOTE 16 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

a) Provisions:

	30 June 2013	31 December 2012
Provision for litigations	861	1,004
Provision for revision	-	1,150
	861	**2,154**

Provision for litigations:

The Group has provided provision for the lawsuits filed against the Group in the amount of TRL 861 thousand (31 December 2012: TRL 1,004 thousand) based on the legal opinions taken on juridical, labour, commercial and administrative litigations and the assessment of similar litigations' consequences in the past. Movement of the provision for litigations are stated below:

	2013	2012
As of 1 January	1,004	1,159
Charge for the period	-	-
Reversal of provision (-)	(143)	(52)
As of 30 June	**861**	**1,107**

b) Contingent assets:

Appeal for return of tax penalty paid:

The Competition Authority decided to conduct an inquiry for eight companies, including EİP, regarding tender of the Training Hospitals. As a result of the inquiry, a decision was made by the Competition Board at 19 January 2007 and announced to the parties. With this decision, an administrative penalty amounting to TRL 1,211 thousand, equivalent of 7.5‰ of the net sales of 2001, has been imposed on EİP. Regarding the penalty mentioned a reduced payment of TRL 908 thousand has been made for early payment; there are no additional liabilities attributable to the penalty. The Group has applied to the Council of State for the refund of the penalty.

c) Contingent liabilities:

I- Tax and tax related penalties of the Company:

Tax penalty notified as at 31 December 2007:

Upon inspections of companies in pharmaceuticals industry by the Tax Inspectors Board of the Ministry of Finance, TRL 3,656 thousand regarding the additional corporate income tax and its associated withholding tax and TRL 5,877 penalty (TRL 3,656 thousand of the penalty is attributable to additional corporate income tax and TRL 2,221 thousand relate to temporary income tax) has been levied against the Company as at 31 December 2007 by Boğaziçi Corporate Tax Administration by tax inspection reports regarding 2002 addressed to the Company.

As at 26 May 2009, the Company filed a lawsuit for the related tax penalties in the Tax Court of Istanbul since no settlement was reached in the Commission for Tax Settlements in the Ministry of Finance. The lawsuit resulted in favour of the Company and all penalties have been cancelled.

Boğaziçi Corporate Tax Administration has applied to the Council of State for the appeal of this lawsuit. The Company's response to the petition of the defendant submitted to the Council of State, based on the verdict given by the Council of State and the notification received by the Company the appeal application of the Tax Administration was denied, and the decision of the Tax Court was approved. Accordingly, the lawsuit resulted in favour of the Company and all accrued income taxes and penalties have been cancelled.

NOTE 16 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)

c) Contingent liabilities (continued):

I- Tax and tax related penalties of the Company (continued):

Tax penalty notified as at 26 December 2008:

Upon inspections to companies in pharmaceuticals industry by Tax Inspectors Board of Ministry of Finance, TRL 8,896 thousand regarding the corporate income tax (TRL 5,709 thousand of the amount is attributable to additional corporate income tax and TRL 3,187 thousand relate to temporary income tax) and TRL 13,344 thousand of penalty has been levied against the Company as at 26 December 2008 by the Boğaziçi Corporate Tax Administration in the tax inspection reports of the Company regarding 2003.

Since no settlement was reached in the meeting held in Commission for Tax Settlements of the Ministry of Finance on 24 June 2009, the Company filed a lawsuit in the Tax Court of Istanbul within the legal timeframe, and all lawsuits are concluded in favour of the Company.

Boğaziçi Corporate Tax Administration has applied to the Council of State for the appeal of this lawsuit. The Company's response to the petition of the defendant submitted to the Council of State, based on the verdict given by the Council of State and the notification received by the Company the appeal application of the Tax Administration was denied, and the decision of the Tax Court was approved. Accordingly, the lawsuit resulted in favour of the Company and all accrued income taxes and penalties have been cancelled.

Tax penalty notified as at 12 June 2009:

Upon inspections of companies in pharmaceuticals industry by the Tax Inspectors Board of the Ministry of Finance, TRL 7,256 thousand regarding the corporate income tax (TRL 2,340 thousand of the amount is attributable to additional corporate income tax and TRL 4,916 thousand relate to temporary income tax) and TRL 10,914 thousand of penalty have been levied against the Company as at 12 June 2009 by the Boğaziçi Corporate Tax Administration in the tax inspection reports of the Company regarding 2004.

As of 2 April 2010, the Company filed a lawsuit in the Tax Court of Istanbul, since no settlement was reached in the meeting held in Commission for Tax Settlements of the Ministry of Finance. Based on the verdict notified to the Company by the 10th Tax Court of Istanbul on 7 April 2011, all lawsuits are concluded in favour of the Company.

Boğaziçi Corporate Tax Administration has applied to the Council of State for the appeal of this lawsuit. The Company corresponded to the petition and sent to Council of State and appeal is in progress.

The Company has not provided any provision for this inspection in the consolidated financial statements, since the lawsuit on the same subject related to the years 2002 and 2003 concluded in favour of the Company in the Tax Court and Council of State.

Tax penalty notified as at 7 April 2011:

Upon inspections of companies in pharmaceuticals industry by the Tax Inspectors Board of the Ministry of Finance, TRL 13,517 thousand regarding the corporate income tax (TRL 3,033 thousand of the amount is attributable to additional corporate income tax and TRL 10,484 thousand relate to temporary income tax) and TRL 20,276 thousand of penalty have been levied against the Company by the Büyük Mükellefler Tax Administration in the tax inspection reports of the Company regarding 2006 and 2007.

As a result of assessment made about notifications, the Company filed a lawsuit in Istanbul Tax Court within the legal timeframe, considering the lawsuits on the same subjects filed in previous years which concluded in favour of the Company, for penalties related to 2006 - 2007. According to the decisions notified by Istanbul 10th Tax Court on 28 December 2011, all aforesaid lawsuits resulted in favour of the Company.

NOTE 16 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)

c) Contingent liabilities (continued):

I- Tax and tax related penalties of the Company (continued):

Tax penalty notified as at 7 April 2011 (continued):

On 29 December 2011, a VAT report is prepared by tax inspectors of Ministry of Finance in connection with tax inspection report related to 2006 which was resulted in favour of the Company. Based on that report, TRL 3,113 thousand regarding the tax and TRL 3,113 thousand regarding the penalty have been levied against the Company by the Büyük Mükellefler Tax Administration.

Since a consensus could not be reached in the meeting held on 29 January 2013 at Commission for Tax Settlements in the Ministry of Finance within the context of Tax Procedure Law, the Group decided to file lawsuits for these tax penalties.

The Company has not provided any provision for this inspection in the consolidated financial statements, since the lawsuit on to corporate tax inspection reports, which presents the ground of VAT inspection reports, concluded in favour of the Company in the Tax Court and Council of State.

II - Tax and tax related penalties of the Group's joint venture EBX:

With respect to inspection reports on VAT refund of services purchased by EBX, the Company's joint venture, based on the inspections performed by tax auditors of Ministry of Finance:

i) For the related tax and penalties, the Company applied to Commission for Tax Settlements in the Ministry of Finance for settlement. The Company filed a lawsuit for the related tax penalties in the Tax Court on 2 December 2011 since no consensus was reached during the settlement. The lawsuit has resulted against EBX and an appeal has been filed in the Council of State on 24 July 2012. For the lawsuits lost in the Tax Court, a provision of TRL 17,764 thousand is provided for the Group's share in total amount of TRL 35,528 thousand calculated by considering overdue interests, based on %50 proportional consolidation of EBX. EBX is agreed on repayment schedule with the tax administration, all payments has been made.

With the decision notified to EBX on 31 July 2013, the lawsuit related to the corporate tax of the year 2006 has resulted against EBX in the Council of State. For the lawsuit resulted against, a lawsuit will be filed in the legal timeframe in accordance with the 54th clause "Correction of Resolution" of the Administrative Jurisdiction Procedures Law ("AJPL").

ii) On 31 December 2012, tax and tax losses penalties for the year 2007 amounting to TRL 35,046 thousand (the Group's share is TRL 17,523 thousand), which consists of TRL 8,272 thousand of tax base (TRL 4,159 thousand attributable to corporate income tax, TRL 1,223 thousand attributable to withholding tax and TRL 2,890 thousand attributable to VAT) and TRL 26,774 thousand of tax penalty were notified.

iii) On 4 April 2013, tax and tax losses penalties for the year 2008 amounting to TRL 33,195 thousand (the Group's share is TRL 16,597 thousand), which consists of TRL 8,094 thousand of tax base (TRL 4,565 thousand attributable to corporate income tax and TRL 1,230 thousand attributable to withholding tax and TRL 2,299 thousand attributable to VAT) and TRL 25,101 thousand of tax penalty were notified.

iv) On 3 May 2013, tax and tax losses penalties for the years 2009 - 2010 amounting to TRL 61,808 thousand (the Group's share is TRL 30,904 thousand), which consists of TRL 18,424 thousand of tax base (TRL 11,366 thousand attributable to corporate income tax and TRL 7,058 thousand attributable to VAT) and TRL 43,384 thousand of tax penalty were notified.

NOTE 16 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)

c) Contingent liabilities (continued):

II - Tax and tax related penalties of the Group's joint venture EBX (continued):

As explained above, the on-going appeal lawsuit in the Council of State has resulted against EBX. Within the context of this decision, the Group management is evaluating the decision of the application for settlement and follows the process for the tax and tax losses penalties for the years 2007, 2008, 2009 and 2010. Based on this evaluation, the uncertainties of the amount to be included in the financial statements are still continuing depending on the conditions of the settlement process. By considering the range of possible outcomes and each point in that range is as likely as any other; the most reliable estimate of the Group Management is recognized as provision in the consolidated financial statements.

III - Tax and tax related penalties and litigation of the Group's subsidiary EİP:

Tax penalty notified as at 3 August 2012:

Within the scope of inspections of companies in pharmaceuticals industry by the Tax Auditors of the Ministry of Finance, a limited investigation has been conducted for EİP Eczacıbaşı İlaç Pazarlama A.Ş. and EIP has been notified for tax penalties consisting of TRL 570 thousand regarding VAT and TRL 855 thousand for its activities of the 2010 - 2011 periods. Based on on-going inspection process, tax penalties for TRL 282 thousand of Corporate Tax, TRL 365 thousand VAT and TRL 917 thousand penalty have been notified for financial year 2010.

The Company filed a pending lawsuit for the related tax penalties in the tax court since no consensus was reached during the settlement in the Commission for Tax Settlements of the Büyük Mükellefler Tax Administration.

The Company has not provided any provision for this inspection in the consolidated financial statements as of 30 June 2013, since there are lawsuits on the same subject concluded in favour of the Company.

The lawsuit related to price differences from market values:

Various public hospitals governed by Turkish Ministry of Health ("MoH") claimed approximately TRL 1,749 thousand for the refund of price differences determined between the prices of medical supplies at which the Group sold to these public hospitals and the market values which were determined by Market Value Settlement Committee established by Social Security Institution Health Administration Department based on the vesting deed given by the Group in 1998. The Group faced lawsuits filed against it by the MoH for the collection of these claims amounting to approximately TRL 403 thousand; preliminary hearings and discovery proceedings in these lawsuits are in progress. Considering the continuing legal process and uncertainty regarding the ultimate outcome of the matter, no provision has been provided in the consolidated financial statements.

(Amounts expressed in thousand of Turkish Lira ("TRL") unless otherwise indicated.)

NOTE 16 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)

d) Guarantees given and taken:

	30 June 2013			
Guarantees given	**USD**	**EUR**	**TRL**	**Total**
Suretyship declaration for bank borrowings	-	-	-	-
Letters of guarantee	-	-	14,637	14,637
Guaranteed bills of exchange	-	-	-	-
	-	**-**	**14,637**	**14,637**
Guarantees taken				
Letters of guarantee	31,198	11,229	79,523	121,950
Mortgages	-	-	22,625	22,625
Guaranteed bills of exchange	-	147	5,110	5,257
	31,198	**11,376**	**107,258**	**149,832**

	31 December 2012			
Guarantees given	**USD**	**EUR**	**TRL**	**Total**
Suretyship declaration for bank borrowings	-	-	-	-
Letters of guarantee	-	-	14,110	14,110
Guaranteed bills of exchange	-	-	-	-
	-	**-**	**14,110**	**14,110**
Guarantees taken				
Letters of guarantee	30,717	11,388	79,312	121,417
Mortgages	-	-	22,625	22,625
Guaranteed bills of exchange	-	147	5,100	5,247
	30,717	**11,535**	**107,037**	**149,289**

Letters and guaranteed bills of exchange were given to suppliers and government institutions. Mortgages, cheques and guaranteed bills of exchange were taken from customer for trade receivables of the Group.

(Amounts expressed in thousand of Turkish Lira ("TRL") unless otherwise indicated.)

NOTE 16 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)

d) Guarantees given and taken (continued):

Collateral/pledge/mortgage ("CPM") position of the majority shareholder EİS Eczacıbaşı İlaç Sınai ve Finansal Yatırımlar Sanayi ve Ticaret A.Ş. as of 30 June 2013 and 31 December 2012 are as follows:

	30 June 2013	31 December 2012
A. CPMs given for Company's own legal personality	2,615	2,615
- Collateral (Fully denominated in TRL)	*2,615*	*2,615*
- Pledge	-	-
- Mortgage	-	-
B. CPMs given on behalf of fully consolidated companies	-	-
- Collateral	-	-
- Pledge	-	-
- Mortgage	-	-
C. CPMs given in the normal course of business activities on behalf of third parties	-	-
D. Total amount of other CPMs	-	-
i. Total amount of CPMs given on behalf of the parent	-	-
- Collateral	-	-
- Pledge	-	-
- Mortgage	-	-
ii. Total amount of CPMs given to on behalf of other Group companies which are not in scope of B and C	-	-
iii. Total amount of CPMs given on behalf of third parties which are not in scope of C	-	-
	2,615	**2,615**

Proportion of other CPMs given to the Group's equity as of 30 June 2013 is 0% (31 December 2012: 0%).

NOTE 17 - EMPLOYEE BENEFITS

Employee benefit obligations

	30 June 2013	31 December 2012
Wages payable to employees	149	718
Social security premiums payable	2,513	1,120
	2,662	**1,838**

Short term provisions for employee benefits

	30 June 2013	31 December 2012
Provision for unused vacations	5,884	5,032
Provision for bonuses	-	1,106
	5,884	**6,138**

(Amounts expressed in thousand of Turkish Lira ("TRL") unless otherwise indicated.)

NOTE 17 - EMPLOYEE BENEFITS (Continued)

Short term provisions for employee benefits (continued):

Provision for unused vacations:

Movements in the provision for unused vacation are as follows as of 30 June:

	2013	**2012**
As of 1 January	5,032	4,014
Charge for the period (Note 21)	875	1,126
Payments during the period (-)	(23)	(245)
As of 30 June	**5,884**	**4,895**

Long term provisions for employee benefits

Provision for employment termination benefits:

Under Turkish Labour Law, the Company and its Turkish Subsidiaries and Joint Ventures are required to pay termination benefits to each employee who has completed one year of service and whose employment is terminated without due cause, who is called up for military service, dies or retires after completing 25 years of service (20 years for women) and reaches the retirement age (58 for women and 60 for men). Some transition provisions related to the pre-retirement service term were excluded from the law since the related law was amended as of 23 May 2002.

As of 30 June 2013, the amount payable consists of one month's salary limited to a maximum of TRL 3,129.25 (31 December 2012: TRL 3,033.98) for each year of service.

The liability is not funded as there is no funding requirement. The provision has been calculated by estimating the present value of the future probable obligation of EİS Eczacıbaşı İlaç, Sınai ve Finansal Yatırımlar Sanayi ve Ticaret A.Ş. and its subsidiaries and joint ventures registered in Turkey arising from the retirement of employees.

IAS 19 "Employee Benefits" published by IASB 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 liability:

	2013	**2012**
Discount rate (%)	1.58	1.58
Turnover rate to estimate the probability of retirement (%)	89 - 98	89 - 98

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 TRL 3,254.44 effective from 1 July 2013 has been taken into consideration in calculating the reserve for employment termination benefit of the Group.

Movements in the provision for employment termination benefits are as follows as of 30 June:

	2013	**2012**
As of 1 January	3,782	2,306
Charge for the period (Note 21)	1,024	595
Payments during the period (-)	(222)	(174)
As of 30 June	**4,584**	**2,727**

(Amounts expressed in thousand of Turkish Lira ("TRL") unless otherwise indicated.)

NOTE 18 - OTHER ASSETS AND LIABILITIES

Other current assets	30 June 2013	31 December 2012
VAT receivables	14,310	16,378
Advances given to personnel	907	61
Other	9	60
	15,226	**16,499**

Other non-current assets	30 June 2013	31 December 2012
VAT receivables	35,187	32,535
Blocked amount due to subsidiary acquisition payables	7,500	7,500
Prepaid taxes under construction activities	7,641	5,444
	50,328	**45,479**

Other current liabilities	30 June 2013	31 December 2012
VAT payables	188	311
Other	381	135
	569	**446**

Other non-current liabilities	30 June 2013	31 December 2012
Deferred considerations due to subsidiary acquisition	7,500	7,500
	7,500	**7,500**

(Amounts expressed in thousand of Turkish Lira ("TRL") unless otherwise indicated.)

NOTE 19 - CAPITAL, RESERVES AND OTHER EQUITY ITEMS

EİS Eczacıbaşı İlaç, Sınai ve Finansal Yatırımlar Sanayi ve Ticaret A.Ş. adopted the registered share capital system available to companies registered with the CMB and set a limit on its registered share capital representing registered type shares with a nominal value of Kr 1. There are no privileged shares, EİS Eczacıbaşı İlaç Sanayi ve Ticaret A.Ş.'s subscribed, historical and authorised share capital for the years ended at 30 June 2013 and 31 December 2012 are as follows:

	30 June 2013	31 December 2012
Limit on registered share capital (historical value)	200,000	200,000
Authorised share capital approved with nominal value	548,208	548,208

Companies in Turkey may exceed the limit on their registered share capital if they distribute bonus shares to their shareholders.

At 30 June 2013 and 31 December 2012, the shareholders of EİS Eczacıbaşı İlaç, Sınai ve Finansal Yatırımlar Sanayi ve Ticaret A.Ş. and their proportion of ownership interests in historical share capital are as follows:

Shareholders	%	30 June 2013	%	31 December 2012
Eczacıbaşı Holding A.Ş.	50.62	277,476	50.62	277,476
Eczacıbaşı Yatırım Holding Ortaklığı A.Ş.	22.86	125,324	21.75	119,210
Other (listed) (*)	26.52	145,408	27.63	151,522
Total	**100.00**	**548,208**	**100.00**	**548,208**
Adjustment to share capital		105,777		105,777
Total authorised share capital		**653,985**		**653,985**

(*) Within the framework of Capital Markets Board's decision, dated 23 July 2010 and numbered 21/655, actual rates of the shares in circulation of the listed companies in BIST are announced on a weekly basis starting from the period ended 30 September 2010, became effective as of 1 October 2010 by the Central Registry Agency ("CRA"). According to the report published by CRA on 28 June 2013, 26.26% (31 December 2012: 26.75%) of the Group's shares in circulation are presented in the other group.

Adjustment to share capital represents the difference between the cash contributions adjusted for inflation and the cash contributions prior to adjustment for inflation.

Retained earnings in statutory accounts can be distributed except jurisdiction stated below related to legal reserves.

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/authorised 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/authorised 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/authorised share capital. Total amount of legal reserves of the Company is TRL 40,627 thousand (31 December 2012: TRL 38,316 thousand).

The aforementioned legal reserves and special reserves shall be classified in "Restricted reserves" in accordance with POA. As at 30 June 2013 and 31 December 2012, details of the restricted reserves are as follows:

	30 June 2013	31 December 2012
Legal reserves	40,627	38,316
Gain on sale of shares of associates	259,137	219,768
	299,764	**258,084**

(Amounts expressed in thousand of Turkish Lira ("TRL") unless otherwise indicated.)

NOTE 20 - REVENUE

	1 January - 30 June 2013	1 April - 30 June 2013	1 January - 30 June 2012	1 April - 30 June 2012
Domestic sales	864,542	485,373	689,012	375,405
Exports	7,898	4,285	1,060	657
Gross sales	**872,440**	**489,658**	**690,072**	**376,062**
Sales returns (-)	(30,558)	(9,125)	(6,354)	(3,934)
Sales discounts (-)	(257,280)	(149,071)	(236,370)	(136,720)
Net sales	**584,602**	**331,462**	**447,348**	**235,408**
Cost of sales (-)	(479,278)	(276,632)	(368,755)	(194,218)
Gross profit	**105,324**	**54,830**	**78,593**	**41,190**

NOTE 21 - GENERAL ADMINISTRATIVE EXPENSES, MARKETING EXPENSES AND RESEARCH AND DEVELOPMENT EXPENSES

General administrative expenses	1 January - 30 June 2013	1 April - 30 June 2013	1 January - 30 June 2012	1 April - 30 June 2012
Personnel expenses	17,632	7,866	14,651	7,122
Consultancy expenses	6,665	3,511	6,293	3,376
Rent expenses	2,042	1,068	1,647	828
Depreciation and amortisation expenses (Notes 14 and 15)	1,409	690	931	498
Miscellaneous taxes	1,354	1,284	1,377	1,152
Provision for employment termination benefits expenses (Note 17)	1,024	136	595	300
Repair and maintenance expenses	953	631	732	339
Provision for unpaid vacation (Note 17)	875	143	1,126	413
Provision for doubtful receivables (Note 9)	186	186	1,782	1,782
Others	3,597	3,230	3,181	1,935
	35,737	**18,745**	**32,315**	**17,745**

Marketing expenses	1 January - 30 June 2013	1 April - 30 June 2013	1 January - 30 June 2012	1 April - 30 June 2012
Personnel expenses	23,939	11,082	18,204	8,814
Advertisement, presentation and promotion expenses	15,148	7,389	12,361	6,792
Transportation, distribution and warehousing expenses	5,216	1,805	3,517	1,951
Rent expenses	3,112	1,567	2,340	1,183
Fuel, energy and water expenses	1,965	1,096	1,492	800
Travelling expenses	1,093	488	939	482
Depreciation and amortisation expenses (Notes 14 and 15)	803	290	560	278
Consultancy expenses	344	194	81	61
Others	4,172	1,645	3,785	1,677
	55,792	**25,556**	**43,279**	**22,038**

(Amounts expressed in thousand of Turkish Lira ("TRL") unless otherwise indicated.)

NOTE 21 - GENERAL ADMINISTRATIVE EXPENSES, MARKETING EXPENSES AND RESEARCH AND DEVELOPMENT EXPENSES (Continued)

Research and development expenses	1 January - 30 June 2013	1 April - 30 June 2013	1 January - 30 June 2012	1 April - 30 June 2012
Personnel expenses	488	239	-	-
Depreciation and amortisation expenses (Notes 14, 15)	27	14	-	-
	515	**253**	**-**	**-**

NOTE 22 - EXPENSES BY NATURE

	1 January - 30 June 2013	1 April - 30 June 2013	1 January - 30 June 2012	1 April - 30 June 2012
Purchase and consumption of inventories	455,868	250,217	331,510	143,060
Personnel expenses	47,722	22,089	35,846	17,738
Advertisement and promotion expenses	15,148	7,389	12,361	6,792
Changes in commercial inventories	7,566	18,238	25,626	39,236
Consultancy expense	7,009	3,705	6,374	3,437
Depreciation and amortisation expense (Notes 13, 14 and 15)	6,361	3,125	5,257	2,686
Transportation, distribution and warehousing expenses	5,216	1,805	3,517	1,951
Rent expense	5,154	2,635	3,987	2,011
Contract manufacturing expense	3,830	1,752	3,256	1,322
Provision for employment termination benefits	1,024	136	595	300
Others	16,424	10,095	16,020	15,468
	571,322	**321,186**	**444,349**	**234,001**

NOTE 23 - OTHER OPERATING INCOME / EXPENSES

Other operating income	1 January - 30 June 2013	1 April - 30 June 2013	1 January - 30 June 2012	1 April - 30 June 2012
Foreign exchange gains from bank deposits	49,716	39,017	19,124	11,812
Interest income from bank deposits	13,862	6,542	22,755	10,521
Credit finance income	3,615	2,313	4,747	2,963
Foreign exchange gains from trade receivables and payables	828	483	2,253	732
Compensation income	266	228	708	685
Collections from doubtful receivables (Note 9)	15	-	5	-
Others	1,671	808	1,223	(622)
	69,973	**49,391**	**50,815**	**26,091**

(Amounts expressed in thousand of Turkish Lira ("TRL") unless otherwise indicated.)

NOTE 23 - OTHER OPERATING INCOME / EXPENSES (Continued)

Other operating expenses	1 January - 30 June 2013	1 April - 30 June 2013	1 January - 30 June 2012	1 April - 30 June 2012
Foreign exchange losses from bank deposits	14,191	3,036	48,450	16,450
Provision for diminution in value of inventories (Note 10)	3,807	2,554	621	(144)
Credit finance expenses	3,239	1,851	4,190	2,727
Foreign exchange losses from trade receivables and payables	1,976	1,845	1,056	241
Provision expense for legal case	-	(119)	-	(9)
Donation expenses	421	155	705	590
Others	1,940	1,395	1,933	1,114
	25,574	**10,717**	**56,955**	**20,969**

NOTE 24 - INCOME / EXPENSES FROM INVESTING ACTIVITIES

Income from investing activities	1 January - 30 June 2013	1 April - 30 June 2013	1 January - 30 June 2012	1 April - 30 June 2012
Dividend income	8,114	8,114	7,941	7,941
Gain from sales of fixed assets	422	12	2	-
Gain from sales of financial assets	117	-	-	-
	8,653	**8,126**	**7,943**	**7,941**

Expenses from investing activities	1 January - 30 June 2013	1 April - 30 June 2013	1 January - 30 June 2012	1 April - 30 June 2012
Loss on sales of fixed assets	(22)	(5)	(15)	-
	(22)	**(5)**	**(15)**	**-**

NOTE 25 - FINANCIAL INCOME / EXPENSES

Financial income	1 January - 30 June 2013	1 April - 30 June 2013	1 January - 30 June 2012	1 April - 30 June 2012
Derivative transactions incomes	-	-	1,387	-
Other financial income	-	-	4	4
	-	**-**	**1,391**	**4**

Financial expenses	1 January - 30 June 2013	1 April - 30 June 2013	1 January - 30 June 2012	1 April - 30 June 2012
Interest expense from bank borrowings	1,967	1,267	862	621
Fair value changes recognised in profit and loss	166	151	688	191
Commissions of letter of guarantees	94	43	98	(27)
Foreign exchange losses	10	10	-	-
Derivative transactions expenses	-	-	218	46
	2,237	**1,471**	**1,866**	**831**

(Amounts expressed in thousand of Turkish Lira ("TRL") unless otherwise indicated.)

NOTE 26 - TAXES ON INCOME (DEFERRED TAX ASSET AND LIABILITIES INCLUDED)

a) Current income tax on profits:

	30 June 2013	31 December 2012
Corporate and income taxes payable	11,837	8,917
Prepaid taxes (-)	(3,703)	(7,736)
Current income tax liabilities (net)	**8,134**	**1,181**

Turkish tax legislation does not permit a parent company and its Subsidiaries, Joint Ventures and Associates 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 Tax Law is changed with Law No, 5520 dated 13 June 2006, and most of the articles of mentioned law have become effective as of 1 January 2006. Accordingly, corporate tax rate in Turkey is 20% for 2013 (2012: 20%). Corporation tax is payable on the total income of the Company after adjusting for certain disallowable expenses, corporate income tax exemptions (participation exemption, investment incentive allowance, etc.) and corporate income tax deductions (like research and development expenditures deduction). No further tax is payable unless the profit is distributed except withholding tax at the rate of 19.8% on the investment incentive allowance utilised within the scope of the Income Tax Law transitional Article 61.

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% on their corporate income by preparing tax declaration within the period of two months and 14 days subsequent to the corresponding quarter. Advance tax 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 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 Turkish lira. In accordance with the aforementioned law provisions, in order to apply inflation adjustment, cumulative inflation rate (SIS-WPI) over last 36 months and 12 months must exceed 100% and 10%, respectively. Inflation adjustment was not applied as these conditions were not fulfilled in the fiscal year 2012 and 2011.

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

Turkish Corporate Tax Law No, 5422 on "Exemption of real estate and investment sales gains" has been amended by Law No: 5520 effective from 1 January 2006. 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 is exempt from corporate tax.

(Amounts expressed in thousand of Turkish Lira ("TRL") unless otherwise indicated.)

NOTE 26 - TAXES ON INCOME (DEFERRED TAX ASSET AND LIABILITIES INCLUDED) (Continued)

a) Current income tax on profits (continued):

In accordance with Article 32/A4 added with the New Corporate Tax Law No. 5838 Article 9, the discounted rate is applied to the earnings derived from capacity expansion investment, when these earnings could be accounted separately in the books of a company. When these earnings could not be accounted separately in the books, the earnings, to which the discounted rate will be applied, is determined by using the percentage of the amount of capacity expansion investment to the carrying amount of registered total tangible asset (including amounts relating to construction in progress) that company at period end. For this calculation, the carrying amount of registered total tangible asset in the company assets is taken into consideration with their revalued amounts. The application of the discounted rate commences in the advance tax period in which the investment partly or fully starts to its operations.

The taxes on income reflected to the consolidated income statement at 30 June 2013 and 2012 are summarized below:

	1 January - 30 June 2013	1 April - 30 June 2013	1 January - 30 June 2012	1 April - 30 June 2012
Current income tax charge	(11,837)	(9,220)	(1,438)	(716)
Deferred tax (charge) / revenue	(688)	(1,173)	426	(1,809)
Total income tax charge (-)	**(12,525)**	**(10,393)**	**(1,012)**	**(2,525)**

The reconciliation as of 30 June corporation tax expense included in the consolidated statement of income to the tax expense calculated with the current tax rate on the consolidated income before taxes is as follows:

	30 June 2013	30 June 2012
Profit / (loss) before tax	**33,580**	**(10,344)**
Current year corporation tax expense	(6,716)	2,069
Disallowable expenses	(28)	(83)
Tax effect of exempt income	1,623	1,588
Financial losses disregarded in the calculation of deferred income tax	(1,369)	(1,027)
Items disregarded in the calculation of deferred income tax	64	(628)
Equity method accounting	(6,099)	(2,931)
Total income tax charge (-)	**(12,525)**	**(1,012)**

(Amounts expressed in thousand of Turkish Lira ("TRL") unless otherwise indicated.)

NOTE 26 - TAXES ON INCOME (DEFERRED TAX ASSET AND LIABILITIES INCLUDED) (Continued)

b) Deferred income tax:

The Group recognises deferred income tax assets and liabilities based upon temporary differences arising between the financial statements prepared in accordance with CMB Financial Reporting Standards and the tax financial statements. Such temporary differences generally arise due to revenues and expenses being recognised in different fiscal periods in accordance with tax regulations and CMB Financial Reporting Standards. The tax rate used for deferred income tax assets and liabilities is 20% (31 December 2012: 20%).

The breakdown of cumulative temporary differences and the resulting deferred income tax assets and liabilities provided at 30 June 2013 and 31 December 2012 using the enacted tax rates is as follows:

	Cumulative temporary differences		Deferred income tax assets / (liabilities)	
	30 June 2013	31 December 2012	30 June 2013	31 December 2012
Provision for unused vacation	(5,884)	(5,032)	1,177	1,006
Provision for employment termination benefits	(4,584)	(3,782)	917	756
Provision for doubtful receivables	(6,009)	(7,484)	1,202	1,497
Differences between the tax base and carrying amount of inventories	(1,946)	(15,690)	389	3,138
Deferred credit finance income	(667)	(645)	133	129
Provision for litigations	(861)	(1,004)	172	201
Tax losses carried forward	(5,092)	(4,077)	1,018	815
Provision for bonuses	-	(1,106)	-	221
Deferred income tax assets (**)	**(25,043)**	**(38,820)**	**5,008**	**7,763**
Fair value differences of available-for-sale financial assets (*)	1,593,047	1,593,936	(79,658)	(79,702)
Difference between the tax base and carrying amount of investment property, property, plant and equipment and intangible assets	6,616	13,325	(889)	(2,665)
Deferred credit finance expenses	255	335	(51)	(67)
Others	863	1,600	(25)	(300)
Deferred income tax liabilities (-) (**)	**1,600,781**	**1,609,196**	**(80,623)**	**(82,734)**
Deferred income tax liabilities, net	**1,575,738**	**1,570,376**	**(75,615)**	**(74,971)**

(*) Difference between fair value and book value amounts to TRL 1,593,047 thousand (31 December 2012: TRL 1,593,936 thousand) and based on the 75% exemption from the corporate tax denoted in Article 5, subsection (1), clause (e) of Corporate Tax Law No, 5520, deferred tax is calculated by applying 5% effective tax rate.

(**) Since deferred tax assets and deferred tax liabilities in the schedule above are summarized by nature of the temporary differences subject to deferred tax, they express the offset of deferred tax asset amounting to TRL 8,838 thousand (31 December 2012: TRL 8,918 thousand) and deferred tax liability amounting to TRL 84,453 thousand (31 December 2012: TRL 83,889 thousand) presented in the financial statements, which are calculated on a separate entity basis for all companies included in the scope of consolidation.

(Amounts expressed in thousand of Turkish Lira ("TRL") unless otherwise indicated.)

NOTE 26 - TAXES ON INCOME (DEFERRED TAX ASSET AND LIABILITIES INCLUDED) (Continued)

b) Deferred income tax (continued):

Based on the assessment made, the Group has not recognized any deferred tax assets over deductible temporary differences amounting to TRL 24,622 thousand (31 December 2012: TRL 23,418 thousand) as of 30 June 2013 considering available evidence with respect to the utilization of those assets in the foreseeable future.

Since each subsidiary and joint venture are separate taxpayers, net deferred income tax assets or liabilities for each of these taxpayers have been calculated; however these have not been offset in the consolidated balance sheets.

The movement of deferred income tax liabilities as of 30 June are as follows:

	2013	2012
As of 1 January	(74,971)	(57,729)
Current year deferred income tax (expense) / benefit	(688)	426
Deferred income tax liability accounted under equity resulting from increase in value of available-for-sale financial assets	44	2
As of 30 June	**(75,615)**	**(57,301)**

NOTE 27 - EARNINGS PER SHARE

	1 January - 30 June 2013	1 April - 30 June 2013	1 January - 30 June 2012	1 April - 30 June 2012
Net gain / (loss) attributable to equity holders of the Company	19,030	18,759	(13,950)	(4,934)
Weighted average number of ordinary shares with face value of Kr 1 each	54,820,800,000	54,820,800,000	54,820,800,000	54,820,800,000
Basic and diluted earnings / (loss) per share (Kr)	**0.0347**	**0.0342**	**(0.0254)**	**(0.0090)**

During the period, dividends amounting to TRL 54,821 thousand were distributed over 2012 profits (In 2012, dividend amounting to TRL 54,821 thousand were distributed over 2011 profits). For both dividend distributions, dividend paid per share is TRL 0.10 (In 2012, dividend paid per share is TRL 0.10).

NOTE 28 - FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

The Group is exposed to variety of financial risks due to its operations. These risks include credit risk, market risk (foreign exchange risk and interest rate risk) and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. Financial risk management is carried out by the Subsidiaries and Joint Ventures of the Group under policies approved by their own Boards of Directors.

a) Credit risk

The ownership of financial assets is exposed to the risk that the counterparty complies with contractual terms. These risks are managed by credit evaluation and distribution of the total risk of a single counterparty. Credit risk is distributed via the number of institutes that form the customer database and their different fields of business activities. The Group collects its receivables before their maturity with factoring practices, as may be required. This is an application parallel to irreversible risk management.

(Amounts expressed in thousand of Turkish Lira ("TRL") unless otherwise indicated.)

NOTE 28 - FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Continued)

a) Credit risk (continued)

Details of credit and receivable risk as of 30 June 2013 and 31 December 2012 are as follows:

	Trade receivables from		**Other receivables from**			
30 June 2013	**Related parties**	**Other**	**Related parties**	**Other**	**Deposit in banks**	**Other (*)**
Maximum credit risk exposed as of balance sheet date (**)	**10,968**	**262,251**	**7,941**	**261**	**678,084**	**3,199**
- Secured portion of the maximum credit risk by guarantees	***-***	***78,689***	***-***	***-***	***-***	***-***
A. Net book value of financial assets that are neither past due nor impaired	9,621	184,453	7,941	261	678,084	-
B. Carrying value of financial assets that are past due but not impaired (***)	1,347	77,798	-	-	-	3,199
C. Net book value of the impaired assets						
- Past due (gross carrying amount)	-	7,655	-	-	-	-
- Impairment (-)	-	(7,655)	-	-	-	-
- Secured portion of the net carrying value by guarantees, etc.	-	-	-	-	-	-
- Not overdue (gross amount)	-	-	-	-	-	-
- Impairment (-)	-	-	-	-	-	-
- Secured portion of the net carrying value by guarantees, etc.	-	-	-	-	-	-
D. Off-balance sheet items include credit risk	-	-	-	-	-	-

(*) Item contains the financial assets measured at fair value and attributable to income statements.

(**) The area implies the sum of A, B, C, D and E. Amounts showing the maximum credit risk exposed as of balance sheet date by excluding guarantees in hand and other factors that increase the credit quality.

(***) As of 30 June 2013, the aging explanations related with past due but not impaired assets indicated in the aging table of "Past due but not impaired trade receivables".

(Amounts expressed in thousand of Turkish Lira ("TRL") unless otherwise indicated.)

NOTE 28 - FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Continued)

a) Credit risk (continued)

	Trade receivables from		Other receivables from			
31 December 2012	**Related parties**	**Other**	**Related parties**	**Other**	**Deposit in banks**	**Other (*)**
Maximum credit risk exposed as of balance sheet date (**)	**932**	**176,073**	**-**	**325**	**705,021**	**3,564**
- Secured portion of the maximum credit risk by guarantees	***-***	***76,068***	***-***	***-***	***-***	***-***
A. Net book value of financial assets that are neither past due nor impaired	932	144,328	-	325	705,021	-
B. Carrying value of financial assets that are past due but not impaired (***)	-	31,745	-	-	-	3,564
C. Net book value of the impaired assets						
- Past due (gross carrying amount)	-	7,484	-	-	-	-
- Impairment (-)	-	(7,484)	-	-	-	-
- Secured portion of the net carrying value by guarantees, etc.	-	-	-	-	-	-
- Not overdue (gross amount)	-	-	-	-	-	-
- Impairment (-)	-	-	-	-	-	-
- Secured portion of the net carrying value by guarantees, etc.	-	-	-	-	-	-
D. Off-balance sheet items include credit risk	-	-	-	-	-	-

(*) Item contains the financial assets measured at fair value and attributable to income statements.

(**) The area implies the sum of A, B, C, D and E. Amounts showing the maximum credit risk exposed as of balance sheet date by excluding guarantees in hand and other factors that increase the credit quality.

(***) As of 31 December 2012, the aging explanations related with past due but not impaired assets indicated in the aging table of "Past due but not impaired trade receivables".

(Amounts expressed in thousand of Turkish Lira ("TRL") unless otherwise indicated.)

NOTE 28 - FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Continued)

a) Credit risk (continued)

Details of the past due but not impaired receivables for the years ended at 30 June 2013 and 31 December 2012 are as follows:

	Trade receivables from		
30 June 2013	**Related parties**	**Other**	**Other**
Past due up to 30 days	1,257	36,573	-
Past due 1 - 3 months	88	33,021	-
Past due 3 - 12 months	2	8,198	-
Past due 1 - 5 year (*)	-	6	3,199
	1,347	**77,798**	**3,199**

	Trade receivables from		
31 December 2012	**Related parties**	**Other**	**Other**
Past due up to 30 days	-	7,742	-
Past due 1 - 3 months	-	19,977	-
Past due 3 - 12 months	-	4,019	-
Past due 1 - 5 year (*)	-	7	3,564
	-	**31,745**	**3,564**

(*) The most of past due 1 - 5 year receivables consist of the legal authorities and the Group does not expect any recoverability risk on receivables.

(Amounts expressed in thousand of Turkish Lira ("TRL") unless otherwise indicated.)

NOTE 28 - FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Continued)

b) Liquidity risk

Liquidity risk management consists of the holding sufficient cash and cash equivalents, funding via loans and capability to close short positions. Additionally, the Group aims to maintain flexibility in funding by maintaining the availability of committed credit lines.

The analysis of the Group's financial liabilities with respect to their maturities is as follows:

	30 June 2013					
			Contractual terms			
Financial liabilities (non-derivative)	**Carrying value**	**Contractual cash outflows**	**Up to 3 months**	**3 - 12 months**	**1 - 5 years**	**More than 5 years**
Other financial liabilities	63,013	63,301	54,961	8,340	-	-
Trade payables due to related parties	100,419	100,669	100,669	-	-	-
Other trade payables	173,809	174,064	167,511	6,553	-	-
Other payables due to related parties	3,400	3,400	-	3,400	-	-
Other payables	1,697	1,697	1,697	-	-	-
Total non-derivative financial liabilities	**342,338**	**343,131**	**324,838**	**18,293**	**-**	**-**

	31 December 2012					
			Contractual terms			
Financial liabilities (non-derivative)	**Carrying value**	**Contractual cash outflows**	**Up to 3 months**	**3 - 12 months**	**1 - 5 years**	**More than 5 years**
Other financial liabilities	31,832	32,181	26,593	5,525	63	-
Trade payables due to related parties	98,326	98,576	85,449	11,713	1,414	-
Other trade payables	116,482	116,817	95,245	21,572	-	-
Other payables	984	984	984	-	-	-
Total non-derivative financial liabilities	**247,624**	**248,558**	**208,271**	**38,810**	**1,477**	**-**

(Amounts expressed in thousand of Turkish Lira ("TRL") unless otherwise indicated.)

NOTE 28 - FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Continued)

c) Market risk

i) Cash flow and fair value 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 by offsetting interest rate sensitive assets and liabilities and using derivative instruments when considered necessary.

The Group is exposed to interest rate risk through floating interest rates bank borrowings. The Group is also exposed to fair value interest risk through fixed rate bank borrowings. As of 30 June 2013 and 31 December 2012, the Group's financial liabilities with floating interest rates are TRL, USD and EUR denominated.

	30 June 2013	31 December 2012
Financial instruments with fixed interest rates:		
Financial assets		
- Cash and cash equivalents	678,131	705,168
- Fair value changes recognised in to profit and loss	-	7
Financial liabilities		
- Financial liabilities	63,013	31,832

As disclosed above the Group's financial instruments have fixed interest rates. However as indicated in Note 7 and Note 28, related financial instruments maturities are 6 months or shorter. Therefore those financial instruments are interest sensitive and the impact on the profit or loss of 100 basis points change in the interest rates is as follows:

At 30 June 2013, if interest rates at contractual re-pricing dates of TRL denominated financial liabilities with variable interest rates has strengthened/weakened by 100 basis points (1%) against TRL with all other variables held constant, profit before tax would have been TRL 630 thousand (30 June 2012: TRL 161 thousand) higher / lower as a result of interest expenses.

ii) Foreign exchange risk

The Group is exposed to foreign exchange risk through conversion of liabilities to functional currency. The risks get under control via analysing foreign exchange positions.

The Group provides limited protection from foreign exchange risk by using derivative financial instruments to decrease exchange risk arise from balance sheet items, also to add value to foreign exchange investments of idle cash.

(Amounts expressed in thousand of Turkish Lira ("TRL") unless otherwise indicated.)

NOTE 28 - FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Continued)

c) Market risk (continued)

ii) Foreign exchange risk (continued)

The Group is exposed to foreign exchange rate risk mainly for EUR and USD, in this context, the exchange risk analyse related with main foreign currencies as follows:

	30 June 2013			
	Profit / loss		Equity	
	Appreciation of foreign currency	Depreciation of foreign currency	Appreciation of foreign currency	Depreciation of foreign currency
In case of 10% change in USD against TRL:				
USD net asset / (liability)	20,989	(20,989)	20,989	(20,989)
Secured position (-)	-	-	-	-
USD net effect	**20,989**	**(20,989)**	**20,989**	**(20,989)**
In case of 10% change in EUR against TRL:				
EUR net asset / (liability)	22,111	(22,111)	22,111	(22,111)
Secured position (-)	-	-	-	-
EUR net effect	**22,111**	**(22,111)**	**22,111**	**(22,111)**
In case of 10% change in other foreign exchange rates against TRL:				
Other foreign currency net asset / (liability)	156	(156)	156	(156)
Secured position (-)	-	-	-	-
Other foreign currencies net effect	**156**	**(156)**	**156**	**(156)**
	43,256	**(43,256)**	**43,256**	**(43,256)**

(Amounts expressed in thousand of Turkish Lira ("TRL") unless otherwise indicated.)

NOTE 28 - FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Continued)

c) Market risk (continued)

ii) Foreign exchange risk (continued)

	31 December 2012			
	Profit / loss		Equity	
	Appreciation of foreign currency	Depreciation of foreign currency	Appreciation of foreign currency	Depreciation of foreign currency
In case of 10% change in USD against TRL:				
USD net asset / (liability)	19,852	(19,852)	19,852	(19,852)
Secured position (-)	-	-	-	-
USD net effect	**19,852**	**(19,852)**	**19,852**	**(19,852)**
In case of 10% change in EUR against TRL:				
EUR net asset / (liability)	27,775	(27,775)	27,775	(27,775)
Secured position (-)	-	-	-	-
EUR net effect	**27,775**	**(27,775)**	**27,775**	**(27,775)**
In case of 10% change in other foreign exchange rates against TRL:				
Other foreign currency net asset / (liability)	(5)	5	(5)	5
Secured position (-)	-	-	-	-
Other foreign currencies net effect	**(5)**	**5**	**(5)**	**5**
	47,622	**(47,622)**	**47,622**	**(47,622)**

TRL equivalents of assets and liabilities held by the Group denominated in foreign currency at 30 June 2013 and 31 December 2012 in consideration of foreign exchange rates are as follows:

	30 June 2013	31 December 2012
USD	1.9248	1.7826
EUR	2.5137	2.3517

(Amounts expressed in thousand of Turkish Lira ("TRL") unless otherwise indicated.)

NOTE 28 - FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Continued)

c) Market risk (continued)

ii) Foreign exchange risk (continued)

The amounts of assets and liabilities denominated in original and foreign currencies and their TRL equivalents at 30 June 2013 were as follows:

	30 June 2013			
		Original amounts		
	Total TRL equivalent	USD	EUR	Other
Trade receivables	5,244	1,209	526	544
Monetary financial assets	488,363	128,047	96,232	1
Current Assets	**493,607**	**129,256**	**96,758**	**545**
Trade receivables	1,247	648	-	-
Monetary financial assets	2,882	1,498	-	-
Non-current Assets	**4,129**	**2,146**	**-**	**-**
Total Assets	**497,736**	**131,402**	**96,758**	**545**
Trade payables	26,299	2,246	8,729	12
Monetary other liabilities	37,633	19,465	67	-
Current Liabilities	**63,932**	**21,711**	**8,796**	**12**
Monetary other liabilities	1,247	648	-	-
Non-current Liabilities	**1,247**	**648**	**-**	**-**
Total Liabilities	**65,179**	**22,359**	**8,796**	**12**
Net asset / (liability) position of derivative financial assets (A-B)	-	-	-	-
A. Total amount of off-balance sheet derivative financial assets	-	-	-	-
B. Total amount of off-balance sheet derivative financial liabilities	-	-	-	-
Net foreign currency asset / (liability) position	**432,557**	**109,043**	**87,963**	**533**
Net foreign currency asset / (liability) position of monetary items	**432,557**	**109,043**	**87,963**	**533**
Fair value of hedged funds of foreign currency	-	-	-	-
Hedged amount of foreign currency assets	-	-	-	-
Hedged amount of foreign currency liabilities	-	-	-	-
Export	3,513	1,106	551	-
Import	7,715	329	2,807	8

(*) The amounts are presented in TRL since the original balances are denominated in various other currencies.

(Amounts expressed in thousand of Turkish Lira ("TRL") unless otherwise indicated.)

NOTE 28 - FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Continued)

c) Market risk (continued)

ii) Foreign exchange risk (continued)

The amounts of assets and liabilities denominated in original and foreign currencies and their TRL equivalents at 31 December 2012 were as follows:

	31 December 2012			
		Original amounts		
	Total TRL equivalent	USD	EUR	Other(*)
Trade receivables	9,703	4,479	731	-
Monetary financial assets	520,120	126,276	125,450	-
Current Assets	**529,823**	**130,755**	**126,181**	**-**
Trade receivables	1,603	899	-	-
Monetary financial assets	3,192	1,791	-	-
Non-current Assets	**4,795**	**2,690**	**-**	**-**
Total Assets	**534,618**	**133,445**	**126,181**	**-**
Trade payables	23,060	2,318	8,029	16
Monetary other liabilities	31,161	17,419	47	-
Current Liabilities	**54,221**	**19,737**	**8,076**	**16**
Monetary other liabilities	4,174	2,340	1	-
Non-current Liabilities	**4,174**	**2,340**	**1**	**-**
Total Liabilities	**58,395**	**22,077**	**8,077**	**16**
Net asset / (liability) position of derivative financial assets	-	-	-	-
A. Total amount of off-balance sheet derivative financial assets	-	-	-	-
B. Total amount of off-balance sheet derivative financial liabilities	-	-	-	-
Net foreign currency asset / (liability) position	**476,223**	**111,368**	**118,104**	**(16)**
Net foreign currency asset / (liability) position of monetary items	**476,223**	**111,368**	**118,104**	**(16)**
Fair value of hedged funds of foreign currency	-	-	-	-
Hedged amount of foreign currency assets	-	-	-	-
Hedged amount of foreign currency liabilities	-	-	-	-
Export	675	366	-	8
Import	25,531	2,594	8,857	27

(*) The amounts are presented in TRL since the original balances are denominated in various other currencies.

NOT 29 - SUBSEQUENT EVENTS

As a result of share purchases made by Eczacıbaşı Yatırım Holding Ortaklığı A.Ş. in 2013, the proportion of interest in the Company's ownership increased from 22.86% to 23.54% as of the date of this report.

NOT 30 - DISCLOSURE OF OTHER MATTERS, WITH MATERIAL EFFECT ON CONSOLIDATED FINANCIAL STATEMENTS, REQUIRED FOR THE PURPOSE OF UNDERSTANDING AND INTERPRETING THE FINANCIAL STATEMENTS

A real estate project under the name "Ormanada" which is on the land in the province of Istanbul and in the district of Sarıyer/Zekeriyaköy with 50% ownership the Group and 50% ownership of Eczacıbaşı Holding A.Ş.; has an investment amount of approximately USD 300 million and the size of houses varies between 170 and 700 square meters with sales price range from USD 500 thousand to USD 2,2 million. Ormanada Project has created in collaboration with international knowledge and experience of Torti Gallas and Partners, Kreatif Mimarlık and Rainer Schmidt Landscape Architects. In the context of the contract signed with the Company's subsidiary Eczacıbaşı Gayrimenkul Geliştirme ve Yatırım A.Ş. and in its control, the project is outsourced to contractors or subcontractors chosen by one of the methods such as receiving tender on unit price or negotiation and lump-sum deal method. Number of houses which was previously planned as 259 which consists of 188 villa and 71 houses is expected to be 273 as a result of the on-going revision works. The Project will be completed in two different phases; first phase consists of 150 units and second phase, which's reconstruction process is still on-going, will consist of 123 unit as of the date of this report. As of 30 June 2013, in the first phase, 74 units were sold and sales agreements were signed by sales connection for 49 units included in the second phase. The project is continuing in two different phases. The delivery of the units located in the first phase has been started from April 2013 and 58 units were delivered as of 30 June 2013. The units located in phase 2 are anticipated to be delivered in the months October-November 2013. Ormanada Project's infrastructure works (construction of roads, electricity, water, sewer, natural gas, telephone, etc.) and top structure works (construction of buildings) have been determined and has started its activities and continues construction process as planned.

NOTE 31 - RESTATEMENT OF PRIOR PERIOD FINANCIAL STATEMENTS

Group's consolidated financial statements have been prepared in comparison with the previous period in order to give accurate trend analysis regarding the financial position and performance. Where necessary, comparative figures have been reclassified to conform to the presentation of the current period consolidated financial statements and significant changes are explained. In the current period, Group made some adjustments and reclassifications in the previous period's financial statements in order to comply with the new format of Capital Market Board issued on 7 June 2013 and to comply with the amendments made in the standards TFRS 11 and TAS 19 . The nature, cause and amount of reclassifications are as follows:

- As of 31 December 2012, in the financial position table, "Income accruals" amounting to TRL 609 thousand was formerly disclosed in other current assets (1 January 2012: TRL 870 thousand). In the current year, Group management reclassified this amount to "Trade receivables".

- As of 31 December 2012, in the financial position table , "Prepaid expenses" amounting to TRL 645 thousand and (1 January 2012: TRL 2,585 thousand) "Advances given for purchase of property, plant and equipment, prepaid taxes under construction activities and other prepaid expenses" amounting to TRL 24,926 thousand (1 January 2012: TRL 26,418 thousand) were formerly disclosed in "Other current assets" and "Other non-current assets", respectively. In the current year, Group management reclassified these amounts to "Prepaid expenses".

- As of 31 December 2012, in the financial position table, "Prepaid taxes" amounting to TRL 2,182 thousand was formerly disclosed in other current assets (1 January 2012: TRL 928 thousand). In the current year, Group management reclassified this amount to "Current income tax assets".

- As of 31 December 2012, in the financial position table, "Expense accruals" amounting to TRL 1,032 thousand was formerly disclosed in other current liabilities (1 January 2012: TRL 1,460 thousand). In the current year, Group management reclassified this amount to "Short term trade payables".

NOTE 31 - RESTATEMENT OF PRIOR PERIOD FINANCIAL STATEMENTS (Continued)

- As of 01 January 2012, in the financial position table, "Payables from derivative transactions" amounting to TRL 1,387 thousand was formerly disclosed in financial liabilities. In the current year, Group management reclassified this amount to "Derivative financial instruments".

- As of 31 December 2012, in the financial position table, "Due to personnel and social security premium payables" amounting to TRL 1,838 thousand (1 January 2012: TRL 2,148 thousand) was formerly disclosed in other current liabilities. In the current year, Group management reclassified this amount to "Employee benefit obligations".

- As of 31 December 2012, in the financial position table, "Taxes payable" amounting to TRL 4,200 thousand (1 January 2012: TRL 2,805 thousand) was formerly disclosed in other current liabilities. In the current year, Group management reclassified this amount to "Other payables".

- As of 31 December 2012, in the financial position table, "Advances received" amounting to TRL 81,395 thousand (1 January 2012: TRL 25,218 thousand) and "Unearned revenue" amounting to TRL 14,423 thousand (1 January 2012: TRL 17,683 thousand) were formerly disclosed in "Other current liabilities" and "Other non-current liabilities", respectively. In the current year, Group management reclassified these amounts to "Deferred income".

- As of 31 December 2012, in the financial position table, "Provision for litigations and revision" amounting to TRL 2,154 thousand was formerly disclosed in "Provisions". In the current year, Group management reclassified this amount to "Other short term provisions".

- As of 31 December 2012, in the financial position table, "Provision for bonuses" amounting to TRL 1,106 thousand was formerly disclosed in other current liabilities. In the current year, Group management reclassified this amount to "Short term provisions for employee benefits".

- As of 31 December 2012, in the financial position table, "Defined benefit plans re-measurement gains/losses" amounting to TRL 2,023 thousand (1 January 2012: TRL 162 thousand) was formerly disclosed in "Retained Earnings" amounting to TRL 162 thousand and "Net income for the period" amounting to TRL 1,861 thousand (1 January 2012: TRL 162 thousand). In the current year, Group management reclassified these amounts to "Defined benefit plans re-measurement gains/losses".

- As of 30 June 2012, in the consolidated profit or loss table , "Foreign exchange gains from bank deposits" amounting to TRL 19,124 thousand, "Interest income from bank deposits" amounting to TRL 22,755 thousand, "Credit finance income" amounting to TRL 4,747 and "Foreign exchange gains from trade receivables and payables" amounting to TRL 2,253 thousand were formerly disclosed in "Financial income". In the current year, Group management reclassified these amounts to "Other operating income".

- As of 30 June 2012, in the consolidated profit or loss table , "Foreign exchange losses from bank deposits" amounting to TRL 48,450 thousand, "Credit finance expense" amounting to TRL 4,190 thousand, "Foreign exchange losses from trade receivables and payables" amounting to TRL 1,056 thousand and other expenses amounting to TRL 159 thousand were formerly disclosed in "Financial expenses". In the current year, Group management reclassified these amounts to "Other operating expense".

- As of 30 June 2012, in the consolidated profit or loss table, "Dividend income" amounting to TRL 7,941 thousand was formerly disclosed in "Financial income". In the current year, Group management reclassified this amount to "Income from investment activities".

- As of 30 June 2012, in the consolidated profit or loss table , "Gain on sale of property plant and equipment" amounting to TRL 2 thousand and "Loss on sale of a property, plant and equipment" amounting to TRL 15 thousand were formerly disclosed in "Other operating income" and "Other operating expenses", respectively. In the current year, Group management reclassified these amounts to "Income from investing activities" and "Expenses from investing activities", respectively.

(Amounts expressed in thousand of Turkish Lira ("TRL") unless otherwise indicated.)

NOTE 31 - RESTATEMENT OF PRIOR PERIOD FINANCIAL STATEMENTS (Continued)

	31 December 2012			
	As previously reported	TFRS 11 and TAS 19 adjustments	CMB communiqué reclassifications	As restated
ASSETS				
Current assets				
Cash and cash equivalents	711,576	(6,408)	-	705,168
Financial investments	372	-	-	372
Trade receivables				
- Trade receivables due from related parties	761	171	-	932
- Trade receivables due from third parties	246,933	(74,385)	609	173,157
Other receivables	280	(16)	-	264
Inventories	192,012	(24,357)	-	167,655
Prepaid expenses	-	-	645	645
Current income tax assets	-	-	2,182	2,182
Other current assets	26,812	(6,877)	(3,436)	16,499
Total current assets	**1,178,746**	**(111,872)**	**-**	**1,066,874**
Non-current assets				
Trade receivables				
- Trade receivables due from third parties	2,970	(54)	-	2,916
Other receivables	683	(622)	-	61
Financial investments	1,755,762	-	-	1,755,762
Investments accounted for using equity method	16,851	112,767	-	129,618
Investment properties	196,663	-	-	196,663
Property, plant and equipment	101,172	(42,623)	-	58,549
Intangible assets				
- Goodwill	75,954	(36,443)	-	39,511
- Other intangible assets	50,471	(19,047)	-	31,424
Prepaid expenses	-	-	24,926	24,926
Deferred income tax assets	9,577	(659)	-	8,918
Other non-current assets	91,223	(20,818)	(24,926)	45,479
Total non-current assets	**2,301,326**	**(7,499)**	**-**	**2,293,827**
Total assets	**3,480,072**	**(119,371)**	**-**	**3,360,701**

(Amounts expressed in thousand of Turkish Lira ("TRL") unless otherwise indicated.)

NOTE 31 - RESTATEMENT OF PRIOR PERIOD FINANCIAL STATEMENTS (Continued)

	31 December 2012			
	As previously reported	**TFRS 11 and TAS 19 adjustments**	**CMB communiqué reclassifications**	**As restated**
LIABILITIES				
Current liabilities				
Short term borrowings	88,533	(56,764)	-	31,769
Trade payables				
- Trade payables due to related parties	98,907	(1,995)	-	96,912
- Trade payables due to third parties	131,951	(16,501)	1,032	116,482
Employee benefit obligations	-	-	1,838	1,838
Other payables	1,480	-	4,200	5,680
Deferred income	-	-	81,395	81,395
Current income tax liabilities	1,181	-	-	1,181
Provisions	14,791	(12,637)	(2,154)	-
Short term provisions				
- Short term provisions for employee benefits	6,976	(1,944)	1,106	6,138
- Other short term provisions	-	-	2,154	2,154
Other current liabilities	95,696	(5,679)	(89,571)	446
Total current liabilities	**439,515**	**(95,520)**	**-**	**343,995**
Non-current liabilities				
Long term borrowings	12,974	(12,911)	-	63
Trade payables				
- Trade payables due to related parties	1,414	-	-	1,414
Deferred income	-	-	14,423	14,423
Long term provisions for employee benefits	10,650	(6,868)	-	3,782
Deferred income tax liabilities	86,726	(2,837)	-	83,889
Other non-current liabilities	21,903	20	(14,423)	7,500
Total non-current liabilities	**133,667**	**(22,596)**	**-**	**111,071**

(Amounts expressed in thousand of Turkish Lira ("TRL") unless otherwise indicated.)

NOTE 31 - RESTATEMENT OF PRIOR PERIOD FINANCIAL STATEMENTS (Continued)

	31 December 2012			
	As previously reported	TFRS 11 and TAS 19 adjustments	CMB communiqué reclassifications	As restated
EQUITY				
Share capital	548,208	-	-	548,208
Adjustments to share capital	105,777	-	-	105,777
Items that will not be reclassified subsequently to profit or loss				
- Defined benefit plans re-measurement gains / losses	-	(2,023)	-	(2,023)
Items that may be reclassified subsequently to profit or loss				
- Cumulative translation differences	1,877	-	-	1,877
- Gains / losses on available for sale financial assets due to revaluation or/and reclassification	1,528,836	-	-	1,528,836
Restricted reserves	258,084	-	-	258,084
Retained earnings	384,261	162		384,423
Net income for the period	32,689	1,861		34,550
Attributable to equity holders of the Company	**2,859,732**	**-**	**-**	**2,859,732**
Non-controlling interests	**47,158**	**(1,255)**	**-**	**45,903**
Total equity	**2,906,890**	**(1,255)**	**-**	**2,905,635**
Total liabilities and equity	**3,480,072**	**(119,371)**	**-**	**3,360,701**

(Amounts expressed in thousand of Turkish Lira ("TRL") unless otherwise indicated.)

NOTE 31 - RESTATEMENT OF PRIOR PERIOD FINANCIAL STATEMENTS (Continued)

	1 January 2012			
	As previously reported	TFRS 11 and TAS 19 adjustments	CMB communiqué reclassifications	As restated
ASSETS				
Current assets				
Cash and cash equivalents	761,996	(7,372)	-	754,624
Financial investments	1,404	-	-	1,404
Trade receivables				
- Trade receivables due from related parties	601	123	-	724
- Trade receivables due from third parties	201,496	(72,650)	870	129,716
Other receivables	804	(647)	-	157
Inventories	135,819	(32,340)	-	103,479
Prepaid expenses	-	-	2,585	2,585
Current income tax assets	-	-	928	928
Other current assets	10,001	(4,091)	(4,383)	1,527
Total current assets	**1,112,121**	**(116,977)**	**-**	**995,144**
Non-current assets				
Trade receivables				
- Trade receivables due from third parties	5,700	(41)	-	5,659
Other receivables	67	(53)	-	14
Financial investments	1,463,931	-	-	1,463,931
Investments accounted for using equity method	14,816	158,638	-	173,454
Investment properties	200,358	-	-	200,358
Property, plant and equipment	79,013	(46,166)	-	32,847
Intangible assets				
- Goodwill	35,731	(35,731)	-	-
- Other intangible assets	26,846	(17,543)	-	9,303
Prepaid expenses	-	-	26,418	26,418
Deferred income tax assets	8,082	(648)	-	7,434
Other non-current assets	85,102	(17,255)	(26,418)	41,429
Total non-current assets	**1,919,646**	**41,201**	**-**	**1,960,847**
Total assets	**3,031,767**	**(75,776)**	**-**	**2,955,991**

(Amounts expressed in thousand of Turkish Lira ("TRL") unless otherwise indicated.)

NOTE 31 - RESTATEMENT OF PRIOR PERIOD FINANCIAL STATEMENTS (Continued)

	1 January 2012			
	As previously reported	**TFRS 11 and TAS 19 adjustments**	**CMB communiqué reclassifications**	**As restated**
LIABILITIES				
Current liabilities				
Short term borrowings	51,918	(23,334)	(1,387)	27,197
Trade payables				
- Trade payables due to related parties	111,595	7,021	-	118,616
- Trade payables due to third parties	94,767	(28,535)	1,460	67,692
Employee benefit obligations	-	-	2,148	2,148
Other payables	1,382	(177)	2,805	4,010
Derivative financial instruments	-	-	1,387	1,387
Deferred income	-	-	25,218	25,218
Current income tax liabilities	1,074	(164)	-	910
Provisions	1,398	(239)	(1,159)	-
Short term provisions				
- Short term provisions for employee benefits	6,743	(2,729)	-	4,014
- Other short term provisions	-	-	1,159	1,159
Other current liabilities	35,550	(3,660)	(31,631)	259
Total current liabilities	**304,427**	**(51,817)**	**-**	**252,610**
Non-current liabilities				
Long term borrowings	12,404	(12,404)	-	-
Trade payables				
- Trade payables due to related parties	4,422	(4)	-	4,418
Deferred income	-	-	17,683	17,683
Long term provisions for employee benefits	7,478	(5,172)	-	2,306
Deferred income tax liabilities	68,061	(2,898)	-	65,163
Other non-current liabilities	17,771	(88)	(17,683)	-
Total non-current liabilities	**110,136**	**(20,566)**	**-**	**89,570**

(Amounts expressed in thousand of Turkish Lira ("TRL") unless otherwise indicated.)

NOTE 31 - RESTATEMENT OF PRIOR PERIOD FINANCIAL STATEMENTS (Continued)

	1 January 2012			
	As previously reported	**TFRS 11 and TAS 19 adjustments**	**CMB communiqué reclassifications**	**As restated**
EQUITY				
Share capital	548,208	-	-	548,208
Adjustments to share capital	105,777	-	-	105,777
Items that will not be reclassified subsequently to profit or loss				
- Defined benefit plans re-measurement gains / losses	-	(162)	-	(162)
Items that may be reclassified subsequently to profit or loss				
- Cumulative translation differences	1,383	-	-	1,383
- Gains / losses on available for sale financial assets due to revaluation or/and reclassification	1,248,552	-	-	1,248,552
Restricted reserves	248,754	-	-	248,754
Retained earnings	359,902	-	-	359,902
Net income for the period	88,510	162	-	88,672
Attributable to equity holders of the Company	**2,601,086**	**-**	**-**	**2,601,086**
Non-controlling interests	**16,118**	**(3,393)**	**-**	**12,725**
Total equity	**2,617,204**	**(3,393)**	**-**	**2,613,811**
Total liabilities and equity	**3,031,767**	**(75,776)**	**-**	**2,955,991**

(Amounts expressed in thousand of Turkish Lira ("TRL") unless otherwise indicated.)

NOTE 31 - RESTATEMENT OF PRIOR PERIOD FINANCIAL STATEMENTS (Continued)

	30 June 2012			
	As previously reported	**TFRS 11 and TAS 19 adjustments**	**CMB communiqué reclassifications**	**As restated**
Revenue	545,978	(98,630)	-	447,348
Cost of sales (-)	(411,019)	42,264	-	(368,755)
Gross profit	**134,959**	**(56,366)**	**-**	**78,593**
General administrative expenses (-)	(55,455)	23,140	-	(32,315)
Marketing expenses (-)	(76,076)	32,797	-	(43,279)
Research and development expenses (-)	(519)	519	-	-
Other operating income	4,890	(2,953)	48,878	50,815
Other operating expense (-)	(21,385)	18,285	(53,855)	(56,955)
Operating profit / (loss)	**(13,586)**	**15,422**	**(4,977)**	**(3,141)**
Income from investing activities	-	-	7,943	7,943
Expenses from investing activities (-)	-	-	(15)	(15)
Share of (loss) / profit of investments accounted for using equity method	1,112	(15,768)	-	(14,656)
Operating income / (loss) before finance expense	**(12,474)**	**(346)**	**2,951**	**(9,869)**
Financial income	65,176	(6,965)	(56,820)	1,391
Financial expenses (-)	(62,171)	6,436	53,869	(1,866)
Profit / (loss) before tax	**(9,469)**	**(875)**	**-**	**(10,344)**
Tax income / (expense) from continuing operations	**(2,791)**	**1,779**	**-**	**(1,012)**
Income tax expense (-)	(4,628)	3,190	-	(1,438)
Deferred tax income / (expense)	1,837	(1,411)	-	426
Profit / (loss) for the period	**(12,260)**	**904**	**-**	**(11,356)**
Attributable to				
- Non-controlling interests	1,690	904	-	2,594
- Equity holders of the parent	(13,950)	-	-	(13,950)
Net profit / (loss) for the period	**(12,260)**	**904**	**-**	**(11,356)**

(Amounts expressed in thousand of Turkish Lira ("TRL") unless otherwise indicated.)

NOTE 31 - RESTATEMENT OF PRIOR PERIOD FINANCIAL STATEMENTS (Continued)

	30 June 2012			
	As previously reported	**TFRS 11 and TAS 19 adjustments**	**CMB communiqué reclassifications**	**As restated**
Profit / (loss) for the period	**(12,260)**	**904**	**-**	**(11,356)**
Other comprehensive income / (expenses)				
Items that may be reclassified subsequently to profit or loss				
- Currency translation differences	1,715	-	(1,321)	394
- Gains / losses on available for sale financial assets due to revaluation or/and reclassification	(70)	-	21	(49)
- Group's share in equity method accounted investments' comprehensive income	(1,455)	-	1,304	(151)
- Tax income / (expenses) of other comprehensive income items	1	-	1	2
Other comprehensive income (after tax)	**191**	**-**	**5**	**196**
Total comprehensive income / (loss)	**(12,069)**	**904**	**5**	**(11,160)**
Total comprehensive income / (loss) attributable to:				
- Non-controlling interest	1,632	904	5	2,541
- Equity holders of the parent	(13,701)	-	-	(13,701)
Total comprehensive income / (loss)	**(12,069)**	**904**	**5**	**(11,160)**

After the adoption of the revised standards and reporting formats, as detailed above, changes in the cash flow statements of the Group, depending on the classifications in the profit or loss statement, are summarized below:

	30 June 2012		
	As previously reported	**Net effect of adjustments and reclassifications**	**As restated**
Cash flows from operating activities	(47,589)	30,293	(17,296)
Cash flows from investing activities	(18,622)	3,550	(15,072)
Cash flows from financing activities	(4,258)	(34,184)	(38,442)
Impact of foreign currency translation differences on cash and cash equivalents	(27,886)	-	(27,886)
Net decrease in cash and cash equivalents	**(98,355)**	**(341)**	**(98,696)**
Cash and cash equivalents at the beginning of the period	760,076	(7,372)	752,704
Cash and cash equivalents at the end of the period	**661,721**	**(7,713)**	**654,008**

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