ARÇELİK ANONİM ŞİRKETİ

CONVENIENCE TRANSLATION INTO ENGLISH OF CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE INTERIM PERIOD 1 JANUARY - 31 MARCH 2009

ARÇELİK ANONİM ŞİRKETİ

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2009

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ARÇELİK ANONİM ŞİRKETİ

CONDENSED INTERIM CONSOLIDATED BALANCE SHEETS AT 31 MARCH 2009 AND 31 DECEMBER 2008

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

		Unaudited	Audited
	Notes	**31 March 2009**	**31 December 2008**
ASSETS			
Current Assets			
Cash and cash equivalents	4	386,898	415,586
Financial investments	5	12,382	26,039
Trade receivables	8	2,209,747	2,575,499
Inventories	10	1,157,512	1,303,931
Other current assets	18	122,636	103,172
Total current assets		**3,889,175**	**4,424,227**
Non-Current Assets			
Trade receivables	8	8,035	9,060
Financial investments	5	293,445	543,443
Associates	11	124,719	123,602
Investment property	12	9,137	8,788
Property, plant and equipment	13	1,242,824	1,272,333
Intangible assets	14	418,966	402,215
Goodwill	15	10,527	10,255
Deferred tax assets	24	70,603	65,878
Total non-current assets		**2,178,256**	**2,435,574**
Total assets		**6,067,431**	**6,859,801**

These condensed interim consolidated financial statements as at and for the period ended 31 March 2009 have been approved for issue by the Board of Directors on 8 May 2009 and signed on its behalf by Fatih Kemal Ebiçlioğlu, Finance and Accounting Assistant General Manager, and by Ali Tayyar, Accounting Director.

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

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

ARÇELİK ANONİM ŞİRKETİ

CONDENSED INTERIM CONSOLIDATED BALANCE SHEETS AT 31 MARCH 2009 AND 31 DECEMBER 2008

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

		Unaudited	**Audited**
	Notes	**31 March 2009**	**31 December 2008**
LIABILITIES			
Current Liabilities			
Financial liabilities	6	1,211,100	1,914,505
Other financial liabilities	7	1,189	5,533
Trade payables	8	496,446	635,899
Other payables	9	86,595	83,835
Current income tax liabilities	24	3,555	4,063
Provisions	17	180,193	198,294
Other current liabilities	18	175,271	149,499
Total current liabilities		**2,154,349**	**2,991,628**
Non-current Liabilities			
Financial liabilities	6	1,685,945	1,576,603
Trade payables	8	76,580	72,955
Provision for employment termination benefits		62,980	60,217
Deferred tax liabilities	24	82,460	91,471
Provisions	17	56,602	53,197
Other non-current liabilities	18	9,777	12,401
Total non-current liabilities		**1,974,344**	**1,866,844**
Total liabilities		**4,128,693**	**4,858,472**
EQUITY			
Paid-in capital	19	399,960	399,960
Adjustment to paid-in capital	19	468,811	468,811
Share premium		96	96
Revaluation fund	19	179,041	287,902
Translation reserve		43,587	40,800
Restricted reserves	19	157,784	157,784
Accumulated profits		573,042	542,917
Net income for the period		53,438	39,794
Attributable to equity owners of the parent		1,875,759	1,938,064
Minority interest		62,979	63,265
Total equity		**1,938,738**	**2,001,329**
Total liabilities and equity		**6,067,431**	**6,859,801**

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

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

ARÇELİK ANONİM ŞİRKETİ

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF INCOME FOR THE THREE-MONTH PERIODS ENDED 31 MARCH

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

		Unaudited	
	Notes	**1 January - 31 March 2009**	**1 January - 31 March 2008**
Net sales	20	1,317,980	1,535,313
Cost of sales	20	(982,689)	(1,143,939)
Gross profit		**335,291**	**391,374**
Selling, marketing and distribution expenses		(212,797)	(213,835)
General administrative expenses		(74,922)	(76,091)
Research and development expenses		(11,854)	(11,252)
Other income	21	127,119	16,683
Other expenses	21	(8,193)	(6,175)
Operating profit		**154,644**	**100,704**
Income from associates	11	1,117	9,117
Financial income	22	160,793	260,046
Financial expenses	23	(271,656)	(312,673)
Income before tax		**44,898**	**57,194**
Taxation income(/expense)			
- Taxes on income	24	(3,338)	(9,558)
- Deferred tax income	24	9,735	4,555
Net income		**51,295**	**52,191**
Attributable to:			
Minority interest		(2,143)	(3,142)
Equity holders of the parent		**53,438**	**55,333**
Earnings per share (Kr)	**25**	**0,134**	**0,138**

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

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

ARÇELİK ANONİM ŞİRKETİ

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE THREE-MONTH PERIODS ENDED 31 MARCH

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

	Unaudited	
	1 January- 31 March 2009	**1 January- 31 March 2008**
Net income for the period	**51,295**	**52,191**
Other comprehensive income / (loss):		
Changes in translation differences	6,498	47,683
Fair value gains due from acquisitions of non-current assets	-	71,701
Deferred tax income/(expenses) related to other comprehensive income items	101	(18,284)
Net transfers before tax effect:		
Financial assets valuation fund (net)	(110,486)	-
Total other comprehensive income / (loss)	**(103,887)**	**101,100**
Total comprehensive income / (loss)	**(52,592)**	**153,291**
Attributable to:		
Minority interest	(286)	17,966
Equity holders of the parent	(52,306)	135,325

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

ARÇELİK ANONİM ŞİRKETİ

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE THREE-MONTH PERIODS ENDED 31 MARCH

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

	Paid-in capital	Adjustment to paid-in capital	Share premium	Re-valuation fund	Translation reserves	Restricted reserves	Accumulated profits	Net income for the period	Minority interests	Total equity
Balance at 1 January 2008	**399,960**	**468,811**	**96**	**440,749**	**(16,585)**	**142,973**	**523,684**	**157,765**	**28,277**	**2,145,730**
Capital increase	-	-	-	-	-	-	-	-	33,185	33,185
Transfers	-	-	-	-	-	-	157,765	(157,765)	-	-
Tangible and intangible asset fair value gain										
- Due from acquisitions	-	-	-	54,990	-	-	-	-	16,711	71,701
- Deferred tax effect	-	-	-	(14,023)	-	-	-	-	(4,261)	(18,284)
Translation differences	-	-	-	-	45,169	-	-	-	2,514	47,683
Transactions with minority interests	-	-	-	-	-	-	(6,144)	-	6,144	-
Net income for the period	-	-	-	-	-	-	-	55,333	(3,142)	52,191
Balance at 31 March 2008	**399,960**	**468,811**	**96**	**481,716**	**28,584**	**142,973**	**675,305**	**55,333**	**79,428**	**2,332,206**
Balance at 1 January 2009	**399,960**	**468,811**	**96**	**287,902**	**40,800**	**157,784**	**542,917**	**39,794**	**63,265**	**2,001,329**
Transfers	-	-	-	-	-	-	39,794	(39,794)	-	-
Dividends paid (*)	-	-	-	-	-	-	(9,999)	-	-	(9,999)
Net effect of disposal of financial assets	-	-	-	(110,486)	-	-	-	-	-	(110,486)
Tangible and intangible asset fair value gain										
- Due from acquisitions	-	-	-	(330)	-	-	330	-	-	-
- Deferred tax effect	-	-	-	84	-	-	-	-	17	101
Translation differences	-	-	-	1,871	2,787	-	-	-	1,840	6,498
Net income for the period	-	-	-	-	-	-	-	53,438	(2,143)	51,295
Balance at 31 March 2009	**399,960**	**468,811**	**96**	**179,041**	**43,587**	**157,784**	**573,042**	**53,438**	**62,979**	**1,938,738**

(*) The decision of this increase in capital is taken in the general meeting held on 25 March 2009.

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

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

ARÇELİK ANONİM ŞİRKETİ

CONDENSED INTERIM CONSOLIDATED CASH FLOW STATEMENTS FOR THE THREE-MONTH PERIODS ENDED 31 MARCH

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

		Unaudited	
	Notes	**31 March 2009**	**31 March 2008**
Operating activities:			
Income before tax		**44,898**	**57,194**
Adjustments to reconcile net cash generated from operating activities to income before taxes:			
Increases in accruals and provisions	28	40,979	83,424
Depreciation and amortization		44,658	42,955
Interest and credit finance income	22	(5,759)	(4,718)
Interest and credit finance expense	23	119,205	104,938
Gain from sales of financial investments		(116,302)	-
Income from associates (net)	11	(1,117)	(9,117)
Loss / (gain) from sales of tangible and intangible assets (net)	21	411	(173)
		126,973	**274,503**
Changes in operating assets and liabilities (net)	28	330,216	(172,684)
Corporate taxes paid	24	(4,062)	(31,949)
Cash flows from operating activities		**453,127**	**69,870**
Investing activities:			
Proceeds from sale of property, plant and equipment and intangible assets		1,852	2,083
Purchases of property, plant and equipment and intangible assets		(30,761)	(49,592)
Cash outflow due to acquisition of subsidiaries		-	(55,246)
Cash provided from sales of financial investments		249,998	-
Translation differences (net)		4,605	9,740
Cash flows from investing activities		**225,694**	**(93,015)**
Financing activities:			
Interest paid		(123,558)	(91,041)
Interest received		5,759	4,718
Capital increase		-	33,185
Increase / (decrease) in bank borrowings (net)		(589,710)	167,242
Cash flows from financing activities		**(707,509)**	**114,104**
Net increase / (decrease) in cash and cash equivalents		**(28,688)**	**90,959**
Cash and cash equivalents as of 1 January		**415,586**	**401,492**
Cash and cash equivalents as of 31 March		**386,898**	**492,451**

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

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

NOTE 1 - GROUP'S ORGANISATION AND NATURE OF OPERATIONS

Arçelik Anonim Şirketi ("Arçelik" or "the Company"), its subsidiaries and associates (collectively referred as "the Group") undertake all commercial and industrial activities in respect of the production, sales and marketing, customer services after sales, exportation and importation of consumer durable goods and consumer electronics. The Group operates in 11 manufacturing plants in Turkey, Romania, Russia and China. The Group is a member of the Koç Group Companies, which holds a majority stake in the Company.

The Company's head office is located at:
Karaağaç Caddesi No: 2-6
Sütlüce 34445 Beyoğlu
Istanbul / Turkey

The Company is registered with the Capital Markets Board of Turkey ("CMB") and its shares have been quoted on the Istanbul Stock Exchange ("ISE") since 1986. At 31 March 2009, 21.29% of the total shares are quoted on the ISE. At 31 March 2009, the principal shareholders and their respective shareholdings in the Company are as follows (Note 19):

	%
Koç Holding A.Ş.	39.14
Teknosan Büro Makine ve Levazımı Ticaret ve Sanayi A.Ş.	14.68
Koç Family	9.81
Burla Ticaret ve Yatırım A.Ş.	7.66
Koç Holding Emekli ve Yardım Sandığı Vakfı	4.50
Other	24.21
	100.00

The number of personnel employed by the Group as of 31 March 2009 is 16,812 (31 December 2008: 18,605).

NOTE 1 - GROUP'S ORGANISATION AND NATURE OF OPERATIONS (Continued)

Subsidiaries	Country of incorporation	Core business	Nature of business
Archin Limited ("Archin")	Hong Kong, China	Sales	Consumer durables/Electronics
ArcticPro SRL ("ArcticPro")	Romania	Service	Consumer durables
Ardutch B.V. ("Ardutch")	The Netherlands	Investment	Holding
Bekodutch B.V. ("Bekodutch")	The Netherlands	Investment	Holding
Beko Cesko ("Beko Cesko")	Czech Republic	Sales	Consumer durables/Electronics
Beko Deutschland GmbH ("Beko Deutschland")	Germany	Sales	Consumer durables/Electronics
Beko Electronics España S.L. ("Beko Espana")	Spain	Sales	Consumer durables/Electronics
Beko Elektronik Llc ("Beko Elektronik Russia") (1)	Russia	Production/Sales	Electronics
Beko France S.A. (Beko France")	France	Sales	Consumer durables/Electronics
Beko Italy SRL ("Beko Italy")	Italy	Sales	Consumer durables/Electronics
Beko Llc. ("Beko Russia")	Russia	Production/Sales	Consumer durables/Electronics
Beko Magyarorszag K.F.T. ("Beko Magyarorszag")	Hungary	Sales	Consumer durables/Electronics
Beko Plc. ("Beko UK")	United Kingdom	Sales	Consumer durables/Electronics
Beko Slovakia S.R.O. ("Beko Slovakia")	Slovakia	Sales	Consumer durables/Electronics
Beko S.A. ("Beko Polska")	Poland	Sales	Consumer durables/Electronics
Beko S.A. Czech Republic ("Beko Czech")	Czech Republic	Sales	Consumer durables/Electronics
Beko S.A. Hungary ("Beko Hungary")	Hungary	Sales	Consumer durables/Electronics
Beko Shanghai Trading Company Ltd. ("Beko Shanghai")	China	Sales	Consumer durables/Electronics
Blomberg Vertriebsgesellschaft GmbH ("Blomberg Vertrieb") (2)	Germany	Sales	Consumer durables/Electronics
Blomberg Werke GmbH ("Blomberg Werke") (2)	Germany	Production	Consumer durables/Electronics
Changzhou Beko Electrical Appliances Co. Ltd. ("Beko China")	China	Production/Sales	Consumer durables
Elektra Bregenz AG ("Elektra Bregenz")	Austria	Sales	Consumer durables/Electronics
Fusion Digital Techology Ltd. ("Fusion Digital") (2)	United Kingdom	Technology	Electronics
Grundig Elektronik A.Ş. ("Grundig Elektronik")	Turkey	Production/Sales	Electronics
Grundig Multimedia B.V. ("Grundig Multimedia")	The Netherlands	Investment	Holding
Grundig AG ("Grundig Switzerland")	Switzerland	Sales	Electronics
Grundig Benelux B.V. ("Grundig Benelux")	The Netherlands	Sales	Electronics
Grundig Ceska Republika S.r.o ("Grundig Czech Republic")	Czech Republic	Sales	Electronics
Grundig Danmark A/S ("Grundig Denmark")	Denmark	Sales	Electronics
Grundig España S.A. ("Grundig Espana")	Spain	Sales	Electronics
Grundig Intermedia Ges.m.b.H ("Grundig Austria")	Austria	Sales	Electronics
Grundig Intermedia GmbH ("Grundig Intermedia")	Germany	Sales	Electronics
Grundig Italiana S.p.A. ("Grundig Italy")	Italy	Sales	Electronics
Grundig Magyarország Kft. ("Grundig Hungary")	Hungary	Sales	Electronics
Grundig Norge AS ("Grundig Norway")	Norway	Sales	Electronics
Grundig OY ("Grundig Finland ")	Finland	Sales	Electronics
Grundig Polska Sp. z o.o. ("Grundig Polska")	Poland	Sales	Electronics
Grundig Portuguesa, Lda ("Grundig Portugal")	Portugal	Sales	Electronics
Grundig Slovakia s.r.o ("Grunding Slovakia")	Slovakia	Sales	Electronics
Grundig Svenska AB. ("Grundig Sweden")	Sweden	Sales	Electronics
Grundig S.A.S. ("Grundig France")	France	Sales	Electronics
Raupach Wollert GmbH ("Raupach")	Germany	Investment	Holding
SC Arctic SA ("Arctic")	Romania	Production/Sales	Consumer durables/Electronics

(1) The production of CRT televisions has been ceased.
(2) Liquidation in process.

Subsidiaries	Country of incorporation	Core business	Nature of business
Arçelik-LG Klima Sanayi ve Ticaret A.Ş. ("Arçelik-LG")	Turkey	Production/Sales	Consumer durables
Koç Tüketici Finansmanı A.Ş. ("Koç Tüketici Finans")	Turkey	Finance	Consumer finance
Ram Dış Ticaret A.Ş. ("Ram Dış Ticaret")	Turkey	Sales	Foreign trade
Tanı Pazarlama İ.H.A.Ş. ("Tanı Pazarlama")	Turkey	Consultancy	Marketing and communication

NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS

2.1 Basis of presentation

Financial reporting standards

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

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

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

As the differences of the IAS/IFRS endorsed by the European Union from the ones issued by the IASB have not been announced by TASB as of the date of preparation of these consolidated financial statements, the consolidated financial statements have been prepared within the framework of Communiqué XI, No: 29 and related promulgations to this Communiqué as issued by the CMB, in accordance with the CMB Financial Reporting Standards which are based on IAS/IFRS.

Revised IAS 1 required to apply for the annual period beginning on or after 1 January 2009, the items of income and expenses that are recognized and presented in the statements of equity (all non-owner changes in equity) in accordance with other IAS/IFRS must be presented separately with the title of statements of other comprehensive income. Beginning from 2009, the Group adopts the standard related to presentation of financial statements.

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

Financial statements of foreign Subsidiaries

Financial statements of Subsidiaries operating in foreign countries are prepared according to the legislation of the country in which they operate, and adjusted to the CMB Financial Reporting Standards to reflect the proper presentation and content. Foreign subsidiaries' assets and liabilities are translated into TRY from the foreign exchange rate at the balance sheet date and income and expenses are translated into TRY at the average foreign exchange rate. Exchange differences arising from the retranslation of the opening net assets of foreign undertakings and differences between the average and balance sheet date rates are included in the "translation differences" under the shareholders' equity.

Comparatives and adjustment of prior periods' financial statements

The consolidated financial statements of the Group include comparative financial information to enable the determination of the trends in financial position and performance. Comparative financial information is reclassified to enable conformity with the presentation of the current period financial statements where necessary.

The receivables and payables of the Group due from the sales made to foreign subsidiaries with the mediation of Ram Dış Ticaret A.Ş and the purchases related to these purchases are considered as within group balances and those balances are offset reciprocally in the consolidated financial statements. For enabling the conformity with the current period, the related balances as of 31 December 2008 are offset similarly, and as a consequence of this procedure the total consolidated within group receivables and payables of the Group and accordingly the total assets and liabilities decreased by TRY69,428.

2.2 Restatement and errors in the accounting policies and estimates

The condensed interim consolidated financial statements of the Group for the period ended 31 March 2009 have been prepared in accordance with IAS 34 "Interim Financial Reporting". The accounting policies used in the preparation of these condensed interim consolidated financial statements are consistent with those used in the preparation of annual consolidated financial statements for the year ended 31 December 2008. Accordingly, these condensed interim consolidated financial statements should be read in conjunction with the annual consolidated financial statements for the year ended 31 December 2008.

Group accounting

The condensed interim consolidated financial statements, which have been prepared in accordance with the principles disclosed in the annual consolidated financial statements for the year ended 31 December 2008, include the accounts of Arçelik and its Subsidiaries.

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

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

As of 31 March 2009 and 31 December 2008, the direct and indirect control by Arçelik over Subsidiaries included in the scope of consolidation are as follows (%):

	31 March 2009		31 December 2008	
	Ownership Interest	**Economic Interest**	**Ownership Interest**	**Economic Interest**
Arctic	96.68	96.68	96.68	96.68
Ardutch	100.00	100.00	100.00	100.00
Bekodutch	100.00	100.00	100.00	100.00
Beko Cesko	100.00	100.00	100.00	100.00
Beko China	100.00	100.00	100.00	100.00
Beko Czech	100.00	100.00	100.00	100.00
Beko Deutschland	100.00	100.00	100.00	100.00
Beko Elektronik Russia	100.00	100.00	100.00	100.00
Beko Espana	99.97	99.97	99.97	99.97
Beko France	99.96	99.96	99.96	99.96
Beko Hungary	100.00	100.00	100.00	100.00
Beko Italy	100.00	100.00	100.00	100.00
Beko Magyarorszag	100.00	100.00	100.00	100.00
Beko Polska	100.00	100.00	100.00	100.00
Beko Russia	100.00	100.00	100.00	100.00
Beko Slovakia	100.00	100.00	100.00	100.00
Beko UK	50.00	50.00	50.00	50.00
Blomberg Vertrieb	100.00	100.00	100.00	100.00
Blomberg Werke	100.00	100.00	100.00	100.00
Elektra Bregenz	100.00	100.00	100.00	100.00
Fusion Digital	100.00	100.00	100.00	100.00
Grundig Elektronik	83.03	83.03	83.03	83.03
Grundig Multimedia	100.00	83.03	100.00	83.03
Grundig Austria	100.00	83.03	100.00	83.03
Grundig Benelux	100.00	83.03	100.00	83.03
Grundig Czech Republic	100.00	83.03	100.00	83.03
Grundig Denmark	100.00	83.03	100.00	83.03
Grundig Espana	100.00	83.03	100.00	83.03
Grundig Finland	100.00	83.03	100.00	83.03
Grundig France	100.00	83.03	100.00	83.03
Grundig Intermedia	100.00	83.03	100.00	83.03
Grundig Italy	100.00	83.03	100.00	83.03
Grundig Hungary	100.00	83.03	100.00	83.03
Grundig Norway	100.00	83.03	100.00	83.03
Grundig Portugal	100.00	83.03	100.00	83.03
Grundig Polska	100.00	83.03	100.00	83.03
Grundig Slovakia	100.00	83.03	100.00	83.03
Grundig Sweden	100.00	83.03	100.00	83.03
Grundig Switzerland	100.00	83.03	100.00	83.03
Raupach	100.00	100.00	100.00	100.00

The table below sets out all Associates and shows their direct and indirect ownership as of 31 March 2009 and 31 December 2008 (%):

	31 March 2009	**31 December 2008**
Arçelik - LG	45.00	45.00
Koç Tüketici Finans	47.00	47.00
Ram Dış Ticaret	33.50	33.50
Tanı Pazarlama	32.00	32.00

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

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

Reporting of Cash Flows

For the purposes of the consolidated statement of cash flows, cash and cash equivalents include cash and cash equivalents with maturity periods of less than three months.

The analysis of cash and cash equivalents included in the consolidated statements of cash flows for the periods ended 31 March are as follows:

	31 March 2009	31 March 2008
Cash and cash equivalents – Maturities of less than 3 months (Note 4)	386,898	492,451

NOTE 3 - SEGMENT REPORTING

The management of Group organized the operational segments of the company as white goods and consumer electronics according to the industrial segments. The products included in the white goods group are washing machine, dryer, dishwasher, refrigerator, oven, cooking appliances, and the products like air conditioners which have similar characteristics with the above mentioned products and the services related with the products. The consumer electronics contains besides the LCD television, televisions, computers, cash registers, the other several electronic appliances and the services related with those goods. Other sales covers all the remaining sales excepting the white goods and consumer electronics such as the home appliances, furniture, kitchen and similar other sales.

a) For the period ended 31 March 2009, segment information by industrial segments is as follows:

	White Goods	Consumer Electronics	Other	Total
Total Segment Revenue	809,057	285,957	222,966	1,317,980
Gross Profit	250,113	51,847	33,331	335,291
Amortization and depreciation	32,081	11,324	1,876	45,281
Capital expenditures	24,672	6,366	346	31,384
Income from associates (net)	872	-	245	1,117

	White Goods	Consumer Electronics	Other	Total
Total assets (Except for cash and cash equivalents and deferred tax assets)	3,654,145	1,398,974	556,811	5,609,930
Total Liabilities *	710,381	318,231	58,122	1,086,734

* Financial liabilities, deferred tax liabilities, derivative financial instruments, other taxes and funds payables are excluded.

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

NOTE 3 - SEGMENT REPORTING (Continued)

b) For the period ended 31 March 2008, segment information by industrial segments is as follows:

	White Goods	Consumer Electronics	Other	Total
Total Segment Revenue	925,784	341,522	268,007	1,535,313
Gross Profit	298,041	48,062	45,271	391,374
Amortization and depreciation	30,578	10,443	1,935	42,956
Capital expenditures	207,574	43,111	4,906	255,591
Income from associates (net)	2,841	-	6,276	9,117

As of 31 December 2008, segment information by industrial segments is as follows:

	White Goods	Consumer Electronics	Other	Total
Total assets (Except for cash and cash equivalents and deferred tax assets)	4,172,281	1,536,153	669,903	6,378,337
Total Liabilities *	751,412	389,698	72,411	1,213,521

* Financial liabilities, deferred tax liabilities, derivative financial instruments, other taxes and funds payables are excluded.

c) For the periods ended 31 March, segment information by geographical area is as follows:

31 March 2009	**Turkey**	**Europe**	**Other**	**Total**
Total Segment Revenue	581,332	557,611	179,037	1,317,980
Income from associates (net)	1,117	-	-	1,117

31 March 2008	**Turkey**	**Europe**	**Other**	**Total**
Total Segment Revenue	742,298	626,972	166,043	1,535,313
Income from associates (net)	9,117	-	-	9,117

Total assets by geographical area as of 31 March 2009 ve 31 December 2008 are as follows:

31 March 2009	**Turkey**	**Europe**	**Other**	**Total**
Total assets (except for cash and cash equivalents and deferred tax assets)	4,140,841	1,147,416	321,674	5,609,930

31 December 2008	**Turkey**	**Europe**	**Other**	**Total**
Total assets (except for cash and cash equivalents and deferred tax assets)	4,995,575	1,040,511	342,251	6,378,337

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

NOTE 3 - SEGMENT REPORTING (Continued)

d) Reconciliation of total segment assets and liabilities with reportable segment assets and liabilities is as follows:

	31 March 2009	31 December 2008
Reported segment assets	5,609,930	6,378,337
Unallocated:		
Cash and cash equivalents	386,898	415,586
Deferred tax assets	70,603	65,878
Total assets	**6,067,431**	**6,859,801**
Reported segment liabilities	1,086,734	1,213,521
Unallocated:		
Financial liabilities	2,898,235	3,496,641
Deferred tax liabilities	82,460	91,471
Other taxes and funds payables	61,264	56,839
Total liabilities	**4,128,693**	**4,858,472**

NOTE 4 – CASH AND CASH EQUIVALENTS

	31 March 2009	31 December 2008
Cash in hand	253	287
Cash at banks		
- demand deposits	47,267	42,296
- time deposits	304,397	329,067
Cheques and notes	33,870	42,490
Other	1,111	1,446
	386,898	**415,586**

The maturities of cash and cash equivalents are as follows:

Up to 30 days	247,046	328,016
30-90 days	139,852	87,570
	386,898	**415,586**

The effective interest rates of time deposits are as follows(%):

USD	6.12	7.39
EUR	2.86	3.55
RON	8.45	11.06
GBP	0.25	1.29

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

NOTE 5 - FINANCIAL INVESTMENTS

Current financial investments

Derivative financial instruments

	31 March 2009			31 December 2008		
	Contract	Fair value		Contract	Fair value	
	amount	Assets	(Liabilities)	amount	Assets	(Liabilities)
Forward foreign currency transaction	72,433	11,822	-	351,286	26,039	-
Foreign currency swap contracts	59,949	462	-	-	-	-
Spot transaction	33,289	98	-	-	-	-
		12,382	**-**		**26,039**	**-**

Non-current financial investments

	31 March 2009	31 December 2008
Available-for sale investments	290,184	540,182
Financial assets excluded from the scope of the consolidation	3,261	3,261
	293,445	**543,443**

a) Available-for sale investments

	31 March 2009		31 December 2008	
	%	TRY	%	TRY
Koç Finansal Hizmetler A.Ş.	3.98	270,834	7.66	520,832
Entek Elektrik Üretimi A.Ş.	6.86	16,797	6.86	16,797
Ultra Kablolu TV ve Telekomünikasyon San. Tic. A.Ş.	7.50	1,901	7.50	1,901
Tat Konserve Sanayii A.Ş.	0.34	554	0.34	554
Other		98		98
		290,184		**540,182**

	31 March 2009	31 March 2008
Balance at the beginning of the period	**540,182**	**711,585**
Disposal of available-for sale investment	(249,998)	-
Acquisitions	-	28
Balance at the end of the period	**290,184**	**711,613**

The unrealized gains (net) arising from changes in the fair value of the investments amounting to TRY137,916 (31 December 2008: TRY254,217) net of deferred tax effect amounting to TRY6,897 (31 December 2008: TRY12,711), are recognized in consolidated shareholders' equity under the financial assets fair value reserves at 31 March 2009 as TRY131,019 (31 December 2008: TRY241,506).

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

NOTE 5 - FINANCIAL INVESTMENTS (Continued)

b) Financial assets excluded from the scope of the consolidation

	31 March 2009		31 December 2008	
	%	**TRY**	**%**	**TRY**
Beko Shanghai	100.00	3,259	100.00	3,259
ArticPro SRL	100.00	2	100.00	2
		3,261		**3,261**

NOTE 6 - FINANCIAL LIABILITIES

a) Short-term financial liabilities:

	31 March 2009	31 December 2008
Short-term bank borrowings	237,866	1,006,793
Short-term portion of long-term bank borrowings	987,539	907,389
Paid in advance interests of long-term bank borrowings	(14,837)	-
Other	532	323
	1,211,100	**1,914,505**

Short-term bank borrowings

TRY loans	1,055	798,227
Foreign currency loans	204,341	152,727
Eximbank loans	32,470	55,839
	237,866	**1,006,793**

The effective interest rates (%) of short-term bank borrowings are as follows:

	31 March 2009	31 December 2008
TRY loans	12.82	22.66
Foreign currency loans	5.60	6.76

Since short-term financial liabilities are current liabilities, carrying values are estimated to be insignificantly different from their fair values.

b) Long term financial liabilities

	31 March 2009	31 December 2008
Long-term bank borrowings	1,685,484	1,576,303
Other	461	300
	1,685,945	**1,576,603**

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

NOTE 6 - FINANCIAL LIABILITIES (Continued)

As of 31 March 2009, the details of long-term bank borrowings are as follows:

Currency	**Effective interest rate (%)**	**Original currency**	**TRY**
TRY	14.98	1,402,952,303	1,402,952
EUR	5.04	472,213,426	1,051,054
USD	8.00	129,749,488	219,017
			2,673,023
Short-term portion of long-term bank borrowings			(987,539)
			1,685,484

The fair value of long-term financial liabilities and short-term portion of long term borrowings are calculated as TRY2,677,398 as of 31 March 2009 (31 December 2008: TRY2,478,861).

As of 31 December 2008, the details of long-term bank borrowings are as follows:

Currency	**Effective interest rate (%)**	**Original currency**	**TRY**
TRY	19.56	1,346,093,255	1,346,093
EUR	6.01	420,894,563	901,051
USD	6.98	156,415,663	236,548
			2,483,692
Short-term portion of long-term borrowings			(907,389)
			1,576,303

The redemption schedule of long-term bank borrowings is as follows:

	31 March 2009	**31 December 2008**
2010	1,460,898	1,305,634
2011	187,489	198,195
2012	37,097	72,474
	1,685,484	**1,576,303**

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

NOTE 6 - FINANCIAL LIABILITIES (Continued)

The analysis of borrowings in terms of periods remaining to contractual repricing dates is as follows:

	31 March 2009	31 December 2008
Up to 6 months	2,243,445	2,735,505
6 - 12 months	421,909	108,124
1 - 3 years	230,698	573,884
3 - 5 years	-	72,972
	2,896,052	**3,490,485**

NOTE 7 - OTHER FINANCIAL LIABILITIES

Derivative financial instruments

	31 March 2009			31 December 2008		
	Contract amount	Fair value Assets	Fair value (Liabilities)	Contract amount	Fair value Assets	Fair value (Liabilities)
Foreign currency forward contracts	8,495	-	(68)	123,970	-	(5,453)
Foreign currency swap contracts	165,499	-	(1,121)	129,293	-	(80)
			(1,189)			**(5,533)**

NOTE 8 – TRADE RECEIVABLES AND PAYABLES

Short-term trade receivables	**31 March 2009**	**31 December 2008**
Trade receivables	1,312,306	1,438,111
Notes receivables	979,846	1,179,681
Cheques receivables	77,662	116,086
Due from related parties (Note 26)	42,149	51,575
	2,411,963	**2,785,453**
Provision for doubtful receivables	(102,964)	(94,625)
Unearned credit finance income	(99,251)	(115,329)
Short-term trade receivables (net)	**2,209,747**	**2,575,499**

Movements of provision for doubtful receivables as of 31 March are as follows:

	31 March 2009	31 March 2008
Balance at the beginning of the period	**94,625**	**66,520**
Current period additions (Note 21)	2,794	1,383
Acquisitions	-	2,755
Collection of doubtful receivables	(819)	(531)
Translation differences	6,364	5,853
Balance at the end of the period	**102,964**	**75,980**

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

NOTE 8 – TRADE RECEIVABLES AND PAYABLES (Continued)

The aging schedule of impaired doubtful receivables is as follows:

	31 March 2009	31 December 2008
0-3 months	2,798	3,725
3-6 months	2,957	4,840
6 months and over	97,209	86,060
	102,964	**94,625**

Long-term trade receivables	31 March 2009	31 December 2008
Trade receivables	8,035	9,060
	8,035	**9,060**

Short-term trade payables	31 March 2009	31 December 2008
Trade payables	402,797	568,837
Due to related parties (Note 21)	106,004	73,727
Unearned credit finance charges	(12,355)	(6,665)
	496,446	**635,899**

Long-term trade payables	31 March 2009	31 December 2008
Due to related parties (Note 21)	76,580	72,955
	76,580	**72,955**

NOTE 9 – OTHER RECEIVABLES AND PAYABLES

Other Payables	31 March 2009	31 December 2008
Taxes and duties payable	54,386	49,264
Payables to personnel	18,272	27,775
Deposits and guarantees received	1,492	1,461
Due to shareholders	10,234	235
Other	2,211	5,100
	86,595	**83,835**

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

NOTE 10 - INVENTORIES

	31 March 2009	31 December 2008
Raw materials and supplies	528,444	623,993
Work in process	44,871	38,924
Finished goods	228,837	247,113
Trade goods	402,269	442,007
	1,204,421	**1,352,037**
Provision for impairment on inventories	(46,909)	(48,106)
	1,157,512	**1,303,931**

Allocation of the provision for impairment on inventories in terms of inventory type is as follows:

	31 March 2009	31 December 2008
Raw materials and supplies	18,415	16,815
Finished goods	8,761	9,863
Trade goods	19,733	21,428
	46,909	**48,106**

Movement of provision for impairment on inventories as of 31 March is as follows:

	31 March 2009	31 March 2008
Balance at the beginning of the period	**48,106**	**45,771**
Current period additions (Note 21)	3,087	1,827
Acquisitions	-	8,569
Realized due to sale of inventory	(5,188)	(6,257)
Translation differences	904	1,261
Balance at the end of the period	**46,909**	**51,171**

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

NOTE 11 - ASSOCIATES

	31 March 2009		31 December 2008	
	%	**TRY**	**%**	**TRY**
Koç Tüketici Finansmanı A.Ş.	47.00	56,570	47.00	57,882
Arçelik LG Klima Sanayi ve Ticaret A.Ş.	45.00	58,961	45.00	58,089
Ram Dış Ticaret A.Ş.	33.50	6,141	33.50	5,367
Tanı Pazarlama ve İletişim Hizmetleri A.Ş.	32.00	3,047	32.00	2,264
		124,719		**123,602**

	31 March 2009	**31 March 2008**
Balance at the beginning of the period	**123,602**	**111,129**
Income from associates (net)	1,117	9,117
Balance at the end of the period	**124,719**	**120,246**

Income from associates

	31 March 2009	**31 March 2008**
Koç Tüketici Finansmanı A.Ş.	(1,312)	6,176
Arçelik LG Klima Sanayi ve Ticaret A.Ş.	872	2,841
Ram Dış Ticaret A.Ş.	774	129
Tanı Pazarlama ve İletişim Hizmetleri A.Ş.	783	(29)
	1,117	**9,117**

The summary financial statement of associates

	31 March 2009	**31 December 2008**
Total assets	1,583,206	1,613,465
Total liabilities	1,304,276	1,341,046

	31 March 2009	**31 March 2008**
Sales revenues	266,275	265,097
Net income for the period	3,592	19,748

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

NOTE 12 - INVESTMENT PROPERTY

	31 March 2009	31 March 2008
As of 1 January		
Cost	12,123	4,808
Accumulated depreciation	(3,335)	(1,345)
Net book value	**8,788**	**3,463**
Net book value at the beginning of the period	**8,788**	**3,463**
Acquisitions	-	4,170
Transfers	-	(2,414)
Translation differences	350	728
Current period depreciation	(1)	(23)
Net book value at the end of the period	**9,137**	**5,924**
As of 31 March		
Cost	12,727	9,204
Accumulated depreciation	(3,590)	(3,280)
Net book value	**9,137**	**5,924**

NOTE 13 - PROPERTY, PLANT AND EQUIPMENT

	1 January 2009	Additions	Disposals	Transfers	Translation Differences	31 March 2009
Cost						
Land	15,970	9	(13)	-	(152)	15,814
Land improvements	28,022	-	-	-	2	28,024
Buildings	525,843	44	(45)	70	(4,059)	521,853
Machinery and equipment	2,481,069	8,752	(5,627)	2,251	(4,805)	2,481,640
Motor vehicles, furnitures and fixtures	208,607	455	(928)	661	408	209,203
Leasehold improvements	34,853	9	(227)	-	200	34,835
Construction in progress	9,837	7,350	(790)	(2,982)	591	14,006
	3,304,201	**16,619**	**(7,630)**	**-**	**(7,815)**	**3,305,375**
Accumulated depreciation						
Land improvements	(14,173)	(329)	-	-	-	(14,502)
Buildings	(155,156)	(2,985)	-	-	506	(157,635)
Machinery and equipment	(1,679,781)	(30,089)	4,513	1	2,077	(1,703,279)
Motor vehicles, furnitures and fixtures	(156,620)	(3,669)	883	(1)	(398)	(159,805)
Leasehold improvements	(26,138)	(1,260)	171	-	(103)	(27,330)
	(2,031,868)	**(38,332)**	**5,567**	**-**	**2,082**	**(2,062,551)**
Net Book Value	**1,272,333**					**1,242,824**

There is no mortgage on property, plant and equipment as of 31 March 2009.

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

NOTE 13 - PROPERTY, PLANT AND EQUIPMENT (Continued)

	1 January 2008	Acquisitions	Additions	Disposals	Transfers	Translation differences	31 March 2008
Cost							
Land	16,225	-	180	(121)	-	506	16,790
Land improvements	27,378	-	24	-	778	36	28,216
Buildings	489,767	31	1,452	(18)	20,221	17,971	529,424
Machinery and equipment	2,328,562	1,115	6,279	(7,477)	10,395	25,902	2,364,776
Motor vehicles, furnitures and fixtures	196,136	1,205	1,617	(1,519)	(1,512)	4,651	200,578
Leasehold improvements	34,544	-	70	-	-	200	34,814
Construction in progress	25,843	96	24,518	(26)	(27,280)	2,304	25,455
	3,118,455	**2,447**	**34,140**	**(9,161)**	**2,602**	**51,570**	**3,200,053**
Accumulated depreciation							
Land improvements	(13,120)	-	(308)	-	-	-	(13,428)
Buildings	(143,132)	96	(2,870)	10	(188)	(2,807)	(148,891)
Machinery and equipment	(1,587,864)	466	(31,093)	5,804	(931)	(12,105)	(1,625,723)
Motor vehicles, furnitures and fixtures	(147,099)	838	(3,142)	1,455	931	(4,868)	(151,885)
Leasehold improvements	(21,190)	-	(1,272)	-	-	(93)	(22,555)
	(1,912,405)	**1,400**	**(38,685)**	**7,269**	**(188)**	**(19,873)**	**(1,962,482)**
Net book value	**1,206,050**						**1,237,571**

There is no mortgage on property, plant and equipment as of 31 March 2008.

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

NOTE 14 - INTANGIBLE ASSETS

	31 March 2009	31 March 2008
As of 1 January		
Cost	473,977	231,150
Accumulated amortization	(71,762)	(54,903)
Net book value	**402,215**	**176,247**
Net book value at the beginning of the period	**402,215**	**176,247**
Acquisitions	-	94,301
Fair value differences	-	71,701
Additions	14,765	15,452
Disposals	(200)	(21)
Translation differences	9,134	4,784
Current period amortization	(6,948)	(4,247)
Net book value at the end of the period	**418,966**	**358,217**
As of 31 March		
Cost	497,676	418,203
Accumulated amortization	(78,710)	(59,986)
Net book value	**418,966**	**358,217**

	31 March 2009	31 March 2008
Brands and rights	307,087	288,092
Development costs	102,971	60,372
Other	8,908	9,753
Total	**418,966**	**358,217**

NOTE 15 - GOODWILL

	31 March 2009	31 March 2008
Net book value at the beginning of the period	**10,255**	**3,377**
Acquisitions	-	10,553
Translation differences	272	-
Net book value at the end of the period	**10,527**	**13,930**

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

NOTE 16 - COMMITMENTS, CONTINGENT ASSETS AND LIABILITIES

Commitments and contingent liabilities are as follows:

	31 March 2009	31 December 2008
Operational lease commitments	14,627	14,832

Derivative financial instruments

As of 31 March 2009, the Group has forward exchange purchase commitment amounting to EUR123,928,116, USD40,515,000 and has forward exchange sales commitment amounting to GBP27,653,500, EUR3,816,794, USD1,005,000 and TRY256,785,426.(31 December 2008: EUR107,987,000, USD89,500,000 and TRY10,748 forward exchange purchase commitment and GBP57,613,987, EUR5,000,000, USD3,529,000 and TRY122,300 forward exchange sales commitment).

Contingent assets and liabilities are as follows:

	31 March 2009	31 December 2008
Collateral obtained	1,763,041	1,758,941
Guarantee letters given	11,511	19,402
Stand-by letters of credit	26,984	26,223
Guarantee letters given to Eximbank for import loans	6,415	22,170
Guarantee letters given to customs for imports	49,089	53,936
Other guarantees given	-	1,948
Other collateral given	1,592	1,284

NOTE 17 - PROVISIONS

Short-term provisions	**31 March 2009**	**31 December 2008**
Warranty provisions	83,717	94,218
Assembly provision	40,831	40,728
Provision for cost and expenses	16,925	21,215
Provision for transportation costs	9,368	7,415
Other	29,352	34,718
	180,193	**198,294**

	31 March 2009	**31 December 2008**
Long-term provisions		
Warranty provisions	54,477	51,154
Other	2,125	2,043
	56,602	**53,197**

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

NOTE 18 - OTHER ASSETS AND LIABILITIES

Other current assets:	31 March 2009	31 December 2008
Prepaid expenses	36,914	16,590
Prepaid taxes and funds	33,709	34,660
VAT and PCT receivables	17,600	15,236
Taxes and funds deductible	16,277	16,773
Advances given for inventories	4,963	5,377
Other order advances given	3,594	4,973
Assets held for sale	3,034	2,909
Income accruals	205	1,183
Other	6,340	5,471
	122,636	**103,172**

Other current liabilities:	31 March 2009	31 December 2008
Accruals for sales and marketing expenses	63,738	62,835
Accruals for customer premiums	47,943	14,684
Accruals for license fee expenses	18,369	18,598
Advances received	29,331	44,732
Accruals for bonuses and premiums	4,143	569
Accruals for advertising expenses	3,861	2,587
Liabilities attributable to acquisitions	3,041	2,002
Other	4,845	3,492
	175,271	**149,499**

Other non-current liabilities	31 March 2009	31 December 2008
Liabilities attributable to acquisition	5,386	8,106
Other	4,391	4,295
	9,777	**12,401**

NOTE 19 - EQUITY

Paid-in capital

The Company 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 Kr1. Registered and issued share capital of the Company is as follows:

	31 March 2009	31 December 2008
Limit on registered share capital	1,500,000	1,500,000
Issued share capital in nominal value	399,960	399,960

Companies in Turkey may exceed the limit on registered share capital in the event of the issuance of free capital shares to existing shareholders.

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

NOTE 19 - EQUITY (Continued)

The shareholding structures of the Company are as follows:

	31 March 2009		31 December 2008	
Shareholders	**Share %**	**Amount**	**Share %**	**Amount**
Koç Holding A.Ş.	39.14	156,546	39.14	156,546
Teknosan Büro Makine ve Levazımı Ticaret ve Sanayi A,Ş,	14.68	58,709	14.68	58,709
Koç family members	9.81	39,252	9.81	39,252
Burla Ticaret ve Yatırım A,Ş,	7.66	30,649	7.66	30,649
Koç Holding Emekli ve Yardım Sandığı Vakfı	4.50	17,982	4.50	17,982
Other	24.21	96,822	24.21	96,822
Paid-in share capital	**100.00**	**399,960**	**100.00**	**399,960**
Adjustment to share capital (*)		468,811		468,811
Total share capital		**868,771**		**868,771**

(*) "Adjustment to share capital" represents the restatement effect of cash and cash equivalent contributions to paid-in capital measured in accordance with the CMB Financial Reporting Standards. "Adjustment to share capital" has no use other than being transferred to paid-in share capital.

Revaluation funds

Increases in carrying amounts as a result of revaluations recognized directly in the equity are followed in the headings below:

	31 March 2009	**31 December 2008**
Financial asset fair value reserve (net)	131,019	241,506
Non-current assets fair value reserve (net) (*)	48,022	46,396
Total revaluation funds (net)	**179,041**	**287,902**

(*) Consists of the differences (net-off minority interests and deferred tax) between the carrying value and the fair value of intangible assets (e.g. brand) revalued in accordance with IFRS 3 as a result of the Grundig Multimedia acquisition.

The movements in the revaluation funds are presented in the consolidated statements of changes in shareholders' equity.

Restricted reserves

The Turkish Commercial code ("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 Group's paid-in share capital. Under the TCC, the legal reserves can only be used to offset losses and are not available for any other usage unless they exceed 50% of paid-in share capital. In addition, according to Exemption for sale of Participation shares and property, a 75% portion of corporations' profits arising from such sales are not withdrawn within 5 years and are followed in special reserves.

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

NOTE 19 - EQUITY (Continued)

The details of these restricted reserves are as follows:

	31 March 2009	31 December 2008
Legal reserves	157,660	157,660
Special reserves	124	124
Total	**157,784**	**157,784**

NOTE 20 - SALES AND COST OF SALES

	31 March 2009	31 March 2008
Domestic sales	667,875	804,736
Foreign sales	807,917	861,214
Gross sales	**1,475,792**	**1,665,950**
Discounts	(157,812)	(130,637)
Net sales	**1,317,980**	**1,535,313**
Cost of sales	(982,689)	(1,143,939)
Gross profit	**335,291**	**391,374**

NOTE 21 - OTHER INCOME AND EXPENSES

	31 March 2009	31 March 2008
Other operating income		
Income from sales of financial assets held for sale (Note 11)	116,302	-
Released provisions	3,294	5,833
Income from licenses	1,422	977
Rent income	548	279
Income from claims and grants	478	6,443
Income from sales of property, plant and equipment	345	173
Other	4,730	2,978
Other operating income	**127,119**	**16,683**
Other operating expenses		
Provision expense for impairment of inventories (Note 10)	3,087	1,827
Provision expense for doubtful receivables (Note 8)	2,794	1,383
Loss from sales of property, plant and equipment	756	-
Other	1,556	2,965
Other operating expenses	**8,193**	**6,175**

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

NOTE 22 - FINANCIAL INCOME

	31 March 2009	31 March 2008
Foreign exchange gains	106,583	211,156
Credit finance income	36,758	43,287
Foreign currency forward income	10,884	-
Interest income	5,759	4,718
Other	809	885
Financial income	**160,793**	**260,046**

NOTE 23 - FINANCIAL EXPENSES

Foreign exchange losses	119,623	178,973
Interest expense	119,205	101,663
Foreign currency forward expense	19,794	1,041
Cash discounts expenses	6,849	5,960
Credit finance charges	5,833	21,496
Other	352	265
Financial expenses	**271,656**	**312,673**

NOTE 24 - TAX ASSETS AND LIABILITIES

	31 March 2009	31 December 2008
Corporate and income taxes	3,555	30,059
Less: Prepaid taxes	-	(25,996)
Current income tax liabilities (net)	**3,555**	**4,063**
Deferred tax assets	70,603	65,878
Deferred tax liabilities	(82,460)	(91,471)
Deferred tax liabilities (net)	**(11,857)**	**(25,593)**

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

In Turkey, the corporation tax rate is 20% (2008: 20%). Corporation tax rate is applied on the total income of the Company after adjusting for certain disallowable expenses, exempt income and allowances in accordance with tax legislations.

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

NOTE 24 - TAX ASSETS AND LIABILITIES (Continued)

The taxes on income for periods ended 31 March are as follows:

	31 March 2009	31 March 2008
Taxes on income		
- Current period tax expense	(3,338)	(9,558)
- Deferred tax income	9,735	4,555
Taxes on income (net)	**6,397**	**(5,003)**

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

In accordance with tax laws and regulations of each country as of 31 March 2009, tax rates used for the calculation of taxes on income are as follows:

Germany	31.5%	Spain	30.0%
Austria	25.0%	Italy	37.3%
Czech Republic	21.0%	Hungary	16.0%
China	25.0%	Poland	19.0%
France	33.3%	Romania	16.0%
The Netherlands	25.5%	Russia	20.0%
United Kingdom	28.0%	Slovakia	19.0%

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

	Cumulative temporary difference		Deferred tax assets / (liabilities)	
	31 March 2009	31 December 2008	31 March 2009	31 December 2008
Property, plant and equipment and intangible assets	652,979	633,218	(131,787)	(132,183)
Available-for-sale investments	137,915	254,217	(6,896)	(12,711)
Derivative financial instruments	11,016	25,304	(2,203)	(5,061)
Unused tax credits	(294,171)	(276,633)	59,373	55,814
Provision for warranty, assembly and transportation	(127,775)	(150,793)	27,151	29,811
Provision for employment termination benefits	(61,443)	(59,044)	12,289	11,783
Provision for doubtful receivables	(57,232)	(50,433)	11,447	10,087
Unearned credit finance income (net)	(25,060)	(37,147)	4,960	7,299
Provision for impairment on inventories	(27,959)	(23,928)	5,540	4,786
Accrual for license expenses	(18,369)	(18,599)	3,674	3,720
Accrual for export sale expenses	(4,051)	(3,925)	810	785
Other	(13,284)	(577)	3,785	277
Deferred tax liabilities (net)			**(11,857)**	**(25,593)**

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

NOTE 24 - TAX ASSETS AND LIABILITIES (Continued)

	31 March 2009	31 March 2008
Balance at the beginning of the period	**(25,593)**	**(682)**
Charged to income statement	9,735	4,555
Charged to shareholders' equity	5,916	(18,284)
Acquisitions	-	(21,613)
Translation differences	(1,916)	766
Balance at the end of the period	**(11,857)**	**(35,258)**

NOTE 25 - EARNINGS PER SHARE

The net income attributable to each class of share for the periods ended 31 March are as follows:

	31 March 2009	31 March 2008
Net income attributable to the equity holders of the parent	53,438	55,333
Weighted average number of ordinary shares with nominal value (Kr1 each)	39,996,000,000	39,996,000,000
Earnings per share (Kr)	**0.134**	**0.138**

NOTE 26 - RELATED PARTY TRANSACTIONS

(i) Related party balances

(a) Due from related parties	**31 March 2009**	**31 December 2008**
Group companies (*)	27,144	25,096
Associates	15,005	26,479
	42,149	**51,575**

The Group recognises sales and purchases related to its Subsidiaries made through Ram Dış Ticaret as intra-group transactions; thus these transactions amounting to TRY52,679 as of 31 March 2009 (31 December 2008: TRY69,428) are eliminated in the consolidated financial statements (Note 2.1).

(b) Due to related parties	**31 March 2009**	**31 December 2008**
Short-term		
Group companies (*)	47,243	22,520
Associates	58,761	51,207
	106,004	**73,727**

(*) Group companies include Koç Group companies.

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

NOTE 26 - RELATED PARTY TRANSACTIONS (Continued)

Long-term	**31 March 2009**	**31 December 2008**
Group companies (*)	76,580	72,955
	76,580	**72,955**

(c) Deposits	**31 March 2009**	**31 March 2008**
Group companies (*)	20,236	2,963
	20,236	**2,963**

(d) Bank borrowings	**31 March 2009**	**31 March 2008**
Group companies (*)	172,499	217,746
	172,499	**217,746**

e) Derivative financial instruments

	Contract	**Fair value**	
31 March 2009	**amount**	**assets /**	**(liabilities)**
Group companies (*)	154,585	462	(1,188)
	154,585	**462**	**(1,188)**

	Contract	**Fair value**	
31 December 2008	**amount**	**assets /**	**(liabilities)**
Group companies (*)	142,526	-	(2,615)
	142,526	**-**	**(2,615)**

(ii) Transactions with related parties

(a) Sales of goods and services

	31 March 2009	**31 March 2008**
Group companies (*)	21,316	55,212
Associates	40,038	42,916
	61,354	**98,128**

(*) Group companies include Koç Group companies.

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

NOTE 26 - RELATED PARTY TRANSACTIONS (Continued)

(b) Purchases of goods and services

	31 March 2009	31 March 2008
Associates	39,090	109,463
Group companies (*)	56,334	56,610
Shareholders	1,761	1,548
	97,185	**167,621**

(c) Key management compensation

For the period ended at 31 March 2009, total benefits provided to key management personnel by the Group amount to TRY1,672 (31 March 2008: TRY1,016).

(d) Other transactions

	31 March 2009	31 March 2008
Interest expense	(7,973)	(7,461)
Interest income	1,258	469
Foreign currency forward income / (expense) (net)	1,191	(606)

(*) Group companies include Koç Group companies.

NOTE 27 - FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks, including the effects of changes in debt and equity market prices, foreign currency exchange rates and interest rates. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance of the Group.

Liquidity risk

The Group eliminates the risk of failure to settle its financial and commercial liabilities by managing the balance sheet according to expected cash flows.

In this context, the maturities of the financial liabilities are arranged according to the maturities of assets, and a mismatch between the maturities is eliminated. There is a level of "acid-test" ratio to manage the consolidated and stand alone balance sheets followed by the Group Companies' managements.

Additionally, the Group aims to maintain flexibility in funding by maintaining the availability of committed credit lines.

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.

NOTE 27 - FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Continued)

In this context, matching of not only maturities of receivables and payables but also contractual repricing dates are crucial. In order to keep the exposure of financial liabilities to interest rate changes at a minimum, "fixed interest/floating interest", "short-term/long-term", "TRY/foreign currency" balance should be structured consistent within and with assets in the balance sheet.

Funding risk

The ability to fund the existing and prospective debt requirements is managed by maintaining the availability of adequate committed funding lines from high quality lenders.

Credit Risk

The group is exposed to credit risk arising from receivables from credit sales and deposits with banks.

A significant amount of trade receivables is from related parties. The credit risk of receivables from third parties is managed by securing receivables with collaterals covering receivables at the highest possible proportion. The methods used are as follows:

- Bank guarantees (guarantee letters, letters of credit, etc.),
- Credit insurance (Global insurance policies, Eximbank and factoring insurance, etc.),
- Mortgages,
- Cheques-notes.

For the customers which are not insured with guarantees the credit risk control is accomplished with the assessment of credit quality of each customer with taking into account its financial position, past experience and other factors, then the individual risk limits are set accordingly and the utilisation of credit limits is regularly monitored.

For banks, the ratings of the independent rating institutions are taken into consideration.

The same credit risk management principles are used for the management of financial assets. Investments are made to the instruments with highest liquidity and the credit note of the company of transaction is taken into consideration.

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

NOTE 27 - FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Continued)

Details of credit and receivable risk as of 31 March 2009 and 31 December 2008 are as follows:

	Trade Receivables		Deposits with
31 March 2009	**Related party**	**Third party**	**Banks**
Maximum exposed credit risk as of reporting date (1)	**42,149**	**2,167,598**	**351,664**
Secured portion of the maximum credit risk by guarantees etc.	-	1,939,273	-
A. Net book value of financial assets either are not due or not impaired	42,149	1,899,736	351,664
- Secured portion by guarantees, etc.	-	(1,716,115)	-
B. Financial assets with renegotiated conditions	-	16,372	-
- Secured portion by guarantees, etc.	-	(16,372)	-
C. Net book value of the expired but not impaired financial assets	-	209,061	-
- Secured portion by guarantees, etc.	-	(171,785)	-
D. Net book value of impaired assets	-	42,429	-
- Overdue (Gross book value)	-	145,393	-
- Impairment (-)	-	(102,964)	-
- Secured portion of the net book value by guarantees, etc.	-	(35,000)	-

	Trade Receivables		Deposits with
31 December 2008	**Related Party**	**Third Party**	**Banks**
Maximum exposed credit risk as of reporting date (1)	**51,575**	**2,523,924**	**371,363**
Secured portion of the maximum credit risk by guarantees etc.	-	2,244,429	-
A. Net book value of financial assets either are not due or not impaired	51,575	2,263,160	371,363
- Secured portion by guarantees, etc.	-	(1,992,619)	-
B. Financial assets with renegotiated conditions	-	21,523	-
- Secured portion by guarantees, etc.	-	(21,523)	-
C. Net book value of the expired but not impaired financial assets	-	200,180	-
- Secured portion by guarantees, etc.	-	(200,180)	-
D. Net book value of impaired assets	-	39,061	-
- Overdue (Gross book value)	-	133,686	-
- Impairment (-)	-	(94,625)	-
- Secured portion of the net book value by guarantees, etc.	-	(30,107)	-

(1) Amounts showing the maximum credit risk exposed as of balance sheet date excludes guarantees in hand and other factors that increase the credit quality.

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

NOTE 27 - FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Continued)

a) Credit quality of financial assets

	31 March 2009	31 December 2008
New customers (Less than three months)	6,078	107,163
Existing customers with no default in the past (More than three months)	1,785,621	2,106,005
Existing customers with some defaults in the past of which were fully recovered	166,559	175,816
	1,958,257	**2,388,984**

b) Aging of the receivables which are overdue but not impaired

	31 March 2009	31 December 2008
0-1 month	44,654	78,676
1-3 months	56,325	25,622
3-12 months	86,230	68,108
1-5 years	21,852	27,774
	209,061	**200,180**

Foreign exchange risk

The Group is exposed to foreign exchange rate risk through operations made in multiple currencies. The main principle in the management of this foreign currency risk is maintaining foreign exchange position in a way to be affected least by the fluctuations in foreign exchange rates, in other words, maintaining a foreign exchange position close to zero.

For this reason, the proportion of the positions of these currencies among each other or against Turkish lira to equity is aimed to be controlled within certain limits.

The Group is exposed to foreign exchange rate risk mainly for EUR, USD,GBP,RON and RUB.

Foreign currency position

Assets and liabilities denominated in foreign currency held by Group as of 31 March 2009 and 31 December 2008 are as follows:

	31 March 2009	31 December 2008
Assets	1,698,547	2,024,022
Liabilities	(2,065,050)	(2,046,938)
Net balance sheet position	**(366,503)**	**(22,916)**
Net position of off-balance sheet derivative instruments	267,947	74,210
Net foreign currency position	**(98,556)**	**51,294**

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

NOTE 27 - FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Continued)

The original currency amount of assets and liabilities denominated in foreign currencies and the total TRY equivalent at 31 March 2009 is as follows:

	EUR	USD	GBP	RON	RUB	(*) Other	Total TRY equivalent
Current assets							
Trade receivables	188,465	106,395	51,037	56,288	913,012	43,188	839,044
Monetary financial assets	62,804	84,051	14,189	70,655	129,527	17,367	376,495
Other	97,422	19,143	25,739	115,224	1,450,365	21,769	464,831
Non-current assets							
Non-monetary financial assets	536	-	112	-	307,474	1,488	18,177
Total assets	**349,227**	**209,589**	**91,077**	**242,166**	**2,800,378**	**83,812**	**1,698,547**
Current liabilities							
Trade payables	13,624	81,344	8,320	47,359	104,874	29,014	246,616
Financial liabilities	305,602	103,639	-	968	358,901	-	873,435
Other monetary financial liabilities	10,821	101	7,806	5,186	62,835	5,747	54,496
Other non-monetary financial liabilities	45,527	16,761	8,089	20,579	189,617	17,448	178,820
Non-current liabilities							
Trade payables		45,379	-	-	-	-	76,600
Financial liabilities	242,848	36,110	-	869	-	-	601,941
Other monetary financial liabilities	2,333	-	-	21,174	-	657	16,979
Other non-monetary financial liabilities	2,289	-	2,287	9,140	-	795	16,163
Total liabilities	**623,044**	**283,334**	**26,502**	**105,275**	**716,227**	**53,661**	**2,065,050**
Net balance sheet position	**(273,817)**	**(73,745)**	**64,575**	**136,891**	**2,084,151**	**30,151**	**(366,503)**
Off-balance sheet derivative financial assets	126,778	40,515	-	-	-	-	350,572
Off-balance sheet derivative financial liabilities	(3,817)	(1,005)	(27,654)	-	-	(6,344)	(82,625)
Net position of off-balance sheet items	122,961	39,515	(27,654)	-	-	(6,344)	267,947
Net foreign currency asset/(liability) position	**(150,856)**	**(34,235)**	**36,921**	**136,891**	**2,084,151**	**23,807**	**(98,556)**

(*) Composed of other foreign currencies in terms of TRY.

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

NOTE 27 - FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Continued)

The original currency amount of assets and liabilities denominated in foreign currencies and the total TRY equivalent at 31 December 2008 is as follows:

	EUR	USD	GBP	RON	RUB	(*) Other	Total TRY equivalent
Current assets							
Trade receivables	278,227	158,008	54,326	88,999	915,852	72,217	1,121,026
Monetary financial assets	61,377	93,799	13,625	60,327	105,248	27,421	368,383
Other	121,521	22,797	31,181	106,151	1,625,215	16,725	520,694
Non-current assets							
Non-monetary financial assets	1,217	-	112	-	176,852	1,932	13,919
Total assets	**462,341**	**274,604**	**99,244**	**255,477**	**2,823,167**	**118,295**	**2,024,022**
Current liabilities							
Trade payables	84,895	113,801	922	55,938	132,407	5,461	398,216
Financial liabilities	278,248	83,938	-	560	390,213	-	743,071
Other monetary financial liabilities	53,956	3,239	8,324	6,303	63,009	8,330	153,627
Other non-monetary financial liabilities	14,801	12,899	3,093	17,953	31,940	24,992	94,258
Non-current liabilities							
Trade payables	-	48,241	-	-	-	-	72,955
Financial liabilities	196,085	84,492	-	540	-	-	547,846
Other monetary financial liabilities	847	-	-	15,684	-	-	10,239
Other non-monetary financial liabilities	3,579	286	3,952	15,656	4,723	1,315	26,726
Total liabilities	**632,411**	**346,896**	**16,291**	**112,634**	**622,292**	**40,098**	**2,046,938**
Net balance sheet position	**(170,070)**	**(72,291)**	**82,954**	**142,844**	**2,200,875**	**78,197**	**(22,916)**
Off-balance sheet derivative financial assets	111,629	86,474	-	-	-	-	369,751
Off-balance sheet derivative financial liabilities	(65,455)	-	(67,031)	-	-	(8,456)	(295,541)
Net position of off-balance sheet items	46,174	86,474	(67,031)	-	-	(8,456)	74,210
Net foreign currency asset/(liability) position	**(123,896)**	**14,183**	**15,923**	**142,844**	**2,200,875**	**69,741**	**51,294**

(*) Composed of other foreign currencies in terms of TRY.

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

NOTE 27 - FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (Continued)

The import and export amounts for the periods ending with 31 March are as follows:

	31 March 2009		31 March 2008	
	Original currency	**TRY**	**Original currency**	**TRY**
EUR	147,120,330	317,956	201,148,296	364,758
USD	99,082,434	165,394	146,361,800	176,452
GBP	38,626,207	92,078	34,211,564	81,150
Other		1,855	-	1,045
Total exports		**577,283**		**623,405**
EUR	65,774,844	142,809	118,042,653	216,896
USD	106,928,089	177,443	215,670,114	265,168
GBP	109,020	268	127,781	314
Other	-	370	-	1,830
Total imports		**320,890**		**484,208**

Capital Risk Management

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

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debt.

The gearing ratios at 31 March 2009 and 31 December 2008 are as follows:

	31 March 2009	31 December 2008
Total liabilities	4,128,693	4,927,900
Cash and cash equivalents	(386,898)	(415,586)
Net debt	3,741,795	4,512,314
Total equity	1,938,738	2,001,329
Invested capital	5,680,533	6,513,463
Gearing ratio	**66%**	**69%**

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

NOTE 28 - SUPPLEMENTARY CASH FLOW INFORMATION

Consolidated statements of cash flows are presented within the consolidated financial statements.

"Changes in reserves and provisions" and "changes in operating assets and liabilities" shown in the consolidated cash flows statements are as follows:

	31 March 2009	31 March 2008
Changes in reserves and provisions:		
Warranty provision	(7,178)	910
Assembly and transportation provision	2,056	(8,272)
Provision for impairment on inventories	(1,197)	5,400
Provision for doubtful receivables	6,799	9,460
Provision for employment termination benefits	2,763	4,309
Accrual for customer premiums	33,259	38,039
Accrual for bonuses and premiums	3,574	(1,115)
Accrual for sales and marketing expenses	903	34,693
	40,979	**83,424**
Changes in operating assets and liabilities:		
Trade receivables and due from related parties	376,728	176,152
Trade payables and due to related parties	(152,577)	(131,986)
Inventories	147,616	(133,310)
Other current assets and liabilities	(29,011)	(86,487)
Other non-current assets and liabilities	(12,540)	2,947
	330,216	**(172,684)**

NOTE 29 - SUBSEQUENT EVENTS

a) The paid-in capital of TRY 399,960,000 has been decided to be increased to TRY659,934,000 by a capital increase of TRY 249,975,000 in cash and by adding TRY 9,999,000 to the paid up capital in terms of bonus shares with the decision taken on the Board of Directors Meetings dated on 27 February 2009 ve 2 March 2009. The corresponding decision is registered by Capital Markets Board (CMB) on 20 April 2009.

b) Based on the Board of Directors' decision dated 20 April 2009, it is agreed to merge with Grundig Elektronik by the transfer of all of its assets and liabilities to Arçelik A.Ş. within the framework of the Article 451 and other related articles of the Turkish Commercial Code and Articles 18-20 of the Corporate Tax Law 20 . It is seen that the necessary determination has been made by Kadıköy Asliye 4. Ticaret Mahkemesi based on the Board of Directors' decision dated 27 February 2009, and it is decided to be proposed to merge with Grundig Elektronik by the transfer of all of its assets and liabilities to Arçelik A.Ş. within the framework of the Article 451 and other related articles of the Turkish Commercial Code and Articles 18-20 of the Corporate Tax Law 20 in the General Meeting.

c) The Arçelik shares of Teknosan Büro Makina ve Levazımı Tic. ve San. A.Ş. ("Teknosan") which amounted to TRY9,358,233.99 nominal value is purchased by Koç Holding on 6 April 2009. The percentages of shares of Koç Holding and Teknosan have changed to be 41.48% and 12.34% subsequently after this transaction.

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