

**Akfen Holding Anonim Şirketi
and its Subsidiaries**

**Consolidated Interim Financial
Statements
As at and for the Period Ended
30 June 2010**

**AKFEN HOLDING ANONIM SIRKETI AND ITS SUBSIDIARIES
CONSOLIDATED SUMMARY FINANCIAL STATEMENTS FOR THE PERIOD ENDED
1 JANUARY- 30 JUNE 2010**

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Akfen Holding Anonim Şirketi and Its Subsidiaries
Summary Consolidated Balance Sheets as at 30 June 2010 and 31 December 2009
(Currency: Thousands of TL)

		<i>Audited</i>	<i>Audited</i>
		<i>30 June</i>	<i>31 December</i>
	<i>Notes</i>	<i>2010</i>	<i>2009</i>
Assets			
Total Current Assets		1.027.378	998.027
Cash and cash equivalents	5	392.815	285.866
Trade receivables			
-Due from related parties	9-25	15.312	23.804
-Other trade receivables	9	233.794	258.927
Other receivables			
-Due from related parties	10-25	10.637	5.295
-Other receivables	10	147.554	183.805
Investments	6	29.031	3.706
Inventories	11	11.349	45.758
Other current assets	17	186.886	190.866
Total Non current assets		2.409.459	2.324.259
Trade receivables			
-Due from related parties	9-25	1.029	3.751
-Other trade receivables	9	98.788	99.407
Other receivables			
-Due from related parties	10-25	9.352	1.878
-Other non trade receivables	10	1.583	2.214
Financial Investment		64	2.779
Investment property	13	523.968	531.647
Property, plant and equipment	14	421.829	306.166
Intangibles	15	1.012.267	1.042.619
Goodwill		108.927	116.777
Deferred tax asset	23	60.943	54.976
Other non-current assets	17	170.709	162.045
TOTAL ASSETS		3.436.837	3.322.286

The accompanying notes are an integral part of these consolidated financial statements

Akfen Holding Anonim Şirketi and Its Subsidiaries
Summary Consolidated Balance Sheets as at 30 June 2010 and 31 December 2009
(Currency: Thousands of TL)

	<i>Notes</i>	<i>Audited</i> <i>30 June</i> <i>2010</i>	<i>Audited</i> <i>31 December</i> <i>2009</i>
TOTAL LIABILITIES AND EQUITY			
Total current liabilities		655.646	725.356
Loans and borrowings	7	259.598	292.799
Other financial liabilities	8	63.267	48.188
Trade payables			
-Due to related payables	9-25	13.015	24.650
-Other trade payables	9	104.145	154.571
Other payables			
-Due to related parties	10-25	25.107	13.143
-Other payables	10	125.630	152.801
Provisions		19.073	5.384
Other short term liabilities	17	45.811	33.820
Total non-current liabilities		2.209.379	2.067.922
Loans and borrowings	7	2.076.294	1.941.972
Other financial liabilities	8	59.211	37.596
Trade payables			
-Due to related parties	9-25	274	5.889
-Other trade payables	9	5.651	10.422
Other payables			
-Due to related parties	10-25	10.270	10.833
-Other non trade payables	10	19.225	27.181
Employee benefits		7.526	6.449
Deferred tax liabilities	23	20.214	19.034
Other long term liabilities		10.714	8.546
TOTAL EQUITY		571.812	529.008
Total equity attributable to equity holders of the Company		359.425	349.097
Paid in capital	18	112.384	99.669
Adjustments to share capital		(7.257)	(7.257)
Treasury shares		(3.709)	(4.767)
Business combination of entities under common control		(53.110)	20.062
Revaluation fund		(71.337)	(62.687)
Translation reserves		8.877	25.004
Legal reserves		13.884	14.985
Other reserve		7.340	--
Share premium		90.505	--
Retained earnings		257.255	114.208
Total comprehensive income, net of tax		4.593	149.880
Non-controlling interest		212.387	179.911
TOTAL LIABILITIES		3.436.837	3.322.286

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

Akfen Holding Anonim Şirketi and Its Subsidiaries
Summary Consolidated Income Statement for the Periods Ended;
30 June 2010
(Currency: Thousands of TL.)

		<i>Audited</i>	<i>Not Audited</i>	<i>Not Audited</i>	<i>Not Audited</i>
	<i>Notes</i>	<i>1 January- 30 June 2010</i>	<i>1 April-30 June 2010</i>	<i>1 January- 30 June 2009</i>	<i>1 April-30 June 2009</i>
CONTINUING OPERATIONS					
Revenue	4	458.079	246.719	643.855	321.634
Cost of sales (-)		(353.518)	(180.865)	(525.743)	(261.357)
GROSS PROFIT		104.561	65.854	118.112	60.277
General and administrative expenses (-)		(76.748)	(42.981)	(52.236)	(23.738)
Other income	19	41.240	26.989	18.993	3.916
Other expense (-)		(16.210)	(13.811)	(1.481)	942
Results from operating activities		52.843	36.051	83.388	41.397
Finance income	20	100.590	58.420	41.420	22.613
Finance expense	21	(152.879)	(88.147)	(142.396)	(6.045)
PROFIT / (LOSS) BEFORE TAX		554	6.324	(17.588)	57.965
CONTINUING OPERATIONS TAX EXPENSE		(9.906)	(7.644)	(16.367)	(12.859)
Tax expense	23	(13.176)	(7.424)	(17.395)	(14.807)
Deferred tax income/expense	23	3.270	(220)	1.028	1.948
PROFIT/LOSS FROM CONTINUING OPERATIONS		(9.352)	(1.320)	(33.955)	45.106
DISCONTINUED OPERATIONS					
Profit/(loss) from discontinued operations, net of tax	22	17.226	(2.247)	6.133	3.198
PROFIT/(LOSS) FOR THE PERIOD		7.874	(3.567)	(27.822)	48.304
Other Comprehensive Income / (Expense)					
Change in Revaluation of plant and equipment		17	17	16	(37)
Change in Net fair value change in cash flow hedges	20	(13.403)	(5.613)	15.546	15.221
Change in Foreign currency translation differences	20	(17.615)	(5.045)	2.697	(14.833)
Tax expense for other comprehensive income	20	(232)	(304)	1.397	(1.143)
Other comprehensive income /(loss) for the period, net of tax		(31.233)	(10.945)	19.656	(792)
TOTAL COMPREHENSIVE INCOME/(EXPENSE) FOR THE PERIOD		(23.359)	(14.512)	(8.166)	47.512
Profit attributable to:					
Non-controlling interest		3.281	15.754	(4.690)	5.376
Owners of the Company		4.593	(19.321)	(23.132)	42.928
Profit/(Loss) for the period		7.874	(3.567)	(27.822)	48.304
Total comprehensive income/expense attributable to:					
Non-controlling interest		(3.391)	10.455	(4.670)	5.320
Owners of the Company		(19.968)	(24.967)	(3.496)	42.192
Total Comprehensive Income/Expense for the period		(23.359)	(14.512)	(8.166)	47.512
Earnings per share		0,043	(0,177)	(0,369)	0,684

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

Akfen Holding Anonim Şirketi and Its Subsidiaries
Summary Consolidated Statements of Changes in Equity for the Periods Ended 30 June 2010 and 2009
(Currency: Thousands of TL.)

	<i>Paid in Capital</i>	<i>Capital correction</i>	<i>Treasury shares</i>	<i>Entities under common control</i>	<i>Translation differences</i>	<i>Revaluation fund</i>	<i>Hedging reserve</i>	<i>Restricted reserves</i>	<i>Retained earnings</i>	<i>Total</i>	<i>Non- controlling interest</i>	<i>Total equity</i>
Balances as at 1 January 2009 as restated *	62.723	(7.257)	(3.180)	16.658	25.931	956	(82.571)	11.584	120.898	145.742	194.566	340.308
Total comprehensive income for the period												
Profit/(loss) for the period	--	--	--	--	--	--	--	--	(23.132)	(23.132)	(4.690)	(27.822)
Other comprehensive income/(expense)												
Foreign currency translation differences	--	--	--	--	2.677	--	--	--	--	2.677	20	2.697
Revaluation of property, plant and equipment	--	--	--	--	--	(79)	--	--	95	16	--	16
Net fair value change in cash flow hedges	--	--	--	--	--	--	16.943	--	--	16.943	--	16.943
Total other comprehensive income/(expense)	--	--	--	--	2.677	(79)	16.943	--	95	19.636	20	19.656
Total comprehensive income/(expense) for the period	--	--	--	--	2.677	(79)	16.943	--	(23.037)	(3.496)	(4.670)	(8.166)
Transactions with owners recorded directly in equity												
Dividend distribution	--	--	--	--	--	--	--	--	--	--	--	--
Transfers to legal reserves	--	--	--	--	--	--	--	1.506	(1.525)	(19)	19	--
Change in ownership	--	--	--	--	--	--	(230)	--	(225)	(455)	--	(455)
Capital increase	--	--	--	--	--	--	--	--	--	--	1.898	1.898
Change in group structure	--	--	--	--	--	--	--	--	--	--	97	97
Total transactions with owners	--	--	--	--	--	--	(230)	2.064	(2.301)	(467)	(788)	(1.255)
Balances as at 30 June 2009	62.723	(7.257)	(3.180)	16.658	28.608	877	(65.858)	13.648	95.560	141.779	189.108	330.887

Akfen Holding Anonim Şirketi and Its Subsidiaries

Summary Consolidated Statements of Changes in Equity for the Periods Ended 30 June 2010 and 2009

(Currency: Thousands of TL)

	Paid in capital	Capital corrections	Share Premium	Treasury shares	Entities under common control	Translation differences	Revaluati on fund	Hedging reserve	Other reserves	Restricted reserves	Retained earnings	Total	Non controlling interest	Total equity
Balances as at 1 January 2010	99.669	(7.257)	--	(4.767)	20.062	25.004	(2.010)	(60.677)	--	14.985	264.088	349.097	179.911	529.008
Total comprehensive income/(expense)														
Profit for the period	--	--	--	--	--	--	--	--	--	--	4.593	4.593	3.281	7.874
Other comprehensive income/(expense)														
Foreign currency translation reserve	--	--	--	--	--	(16.014)	--	--	--	--	--	(16.014)	(1.601)	(17.615)
Revaluation of property, plant and equipment	--	--	--	--	--	--	(86)	--	--	--	103	17	--	17
Net fair value change in cash flow hedges	--	--	--	--	--	--	--	(8.564)	--	--	--	(8.564)	(5.071)	(13.635)
Total other comprehensive income/(expense)	--	--	--	--	--	(16.014)	(86)	(8.564)	--	--	103	(24.561)	(6.672)	(31.233)
Total comprehensive income/(expense) for the period	--	--	--	--	--	(16.014)	(86)	(8.564)	--	--	4.696	(19.968)	(3.391)	(23.359)
Transactions with owners recorded under equity														
Dividend distributions	--	--	--	--	--	--	--	--	--	--	--	--	(321)	(321)
Transfers to legal reserves	--	--	--	--	--	(113)	--	--	--	936	(1.031)	(208)	268	60
Change in ownership	--	--	--	--	--	--	--	--	--	--	--	--	6.952	6.952
Share Premium	--	--	90.505	--	--	--	--	--	--	--	--	90.505	--	90.505
Change in subsidiaries equity interest	--	--	--	--	(73.172)	--	--	--	--	--	--	(73.172)	872	(72.300)
Public offering expenses	--	--	--	--	--	--	--	--	--	--	(7.942)	(7.942)	--	(7.942)
Capital increase	12.715	--	--	--	--	--	--	--	--	--	--	12.715	109	12.824
Sale of subsidiaries, net	--	--	--	1.058	--	--	--	--	7.340	(2.037)	2.037	8.398	27.987	36.385
Total transactions with owners	12.715	--	90.505	1.058	(73.172)	(113)	--	--	7.340	(1.101)	(6.936)	30.296	35.867	66.163
Balances as at 30 June 2010	112.384	(7.257)	90.505	(3.709)	(53.110)	8.877	(2.096)	(69.241)	7.340	13.884	261.848	359.425	212.387	571.812

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

Akfen Holding Anonim Şirketi and Its Subsidiaries
Summary Consolidated Cash Flow Tables for the Periods Ended
30 June 2010 and 2009

(Currency: Thousands of TL)

	<u>Notes</u>	<i>Audited</i> 30 June 2010	<i>Not audited</i> 30 June 2009
Cash flow from operating activities			
Profit/(loss) for the period		4.593	(23.132)
Depreciation of property and equipment	14	10.558	10.769
Amortization of intangible assets	15	19.795	11.266
Gain on sale of investment security	19	(519)	--
Provision for employee termination benefits		1.727	3.285
Release of provision/(provision for doubtful debts)		209	118
Unearned interest income/(expense), net	20-21	(2.487)	506
Gain or loss on sale of property, plant and equipment	19	(861)	(510)
Provision for impairment of property, plant and equipment	14	3.495	--
Revaluation reserve of investment property	13-19	(16.377)	--
Gain on sale of subsidiaries	19	(8.877)	--
Gain on sale of discontinued operations	22	(15.056)	--
Provision/ (release of provision) for litigation and vacation		415	624
Unrealised foreign exchange differences on statement of financial position items		(44.339)	(10.662)
Interest expense		65.223	95.681
Interest income	20	(6.318)	(3.042)
Tax benefit/(expense)	23	10.397	17.029
		21.578	101.932
Change in other trade receivables		(21.056)	(46.636)
Change in other non-trade receivables		36.148	(1.098)
Change in other current assets		(2.669)	55.900
Change in other non-current trade receivables		619	8.586
Change in other non-current non-trade receivables		629	(4.434)
Change in inventory		1.021	19.307
Change in due from related parties		(1.780)	(13.603)
Change in other non-current assets		(1.139)	(79.091)
Change in other current trade payables		(13.253)	45.224
Change in other current non-trade payables		(13.049)	24.762
Change in other current liabilities		27.682	40.427
Change in other non-current trade payables		(4.702)	9.007
Change in other non-current non-trade payables		(7.956)	35.185
Change in due to related parties		(1.786)	(6.419)
Change in other non-current liabilities		2.168	(8.318)
Cash flows from / (used in) operating activities		22.455	180.731
Tax paid		(25.985)	(3.733)
Retirement benefit paid		(568)	(410)
Doubtful receivables collection		(209)	(118)
Interest paid		(62.736)	(93.145)
Net cash provided from / (used in) operating activities		(67.043)	83.325

The accompanying notes are an integral part of these consolidated financial statements

Akfen Holding Anonim Şirketi and Its Subsidiaries
Summary Consolidated Cash Flow Tables for the Periods Ended
30 June 2010 and 2009
(Currency: Thousands of TL)

		<i>Audited</i>	<i>Not audited</i>
	<i>Notes</i>	<i>30 June</i>	<i>30 June</i>
		<u>2010</u>	<u>2009</u>
Cash flow from investing activities			
Interest received		6.318	3.291
Acquisition of property, plant and equipment	14	(147.605)	(93.494)
Effect of group structure change		6.262	(734)
Proceeds from sale of property, plant and equipment		10.195	12.600
Acquisition of intangible assets	15	(9.212)	(110.315)
Proceeds from sale of intangible assets		--	21.008
Outlay from share purchase of joint ventures		(73.192)	--
Proceeds from sale of shares of joint ventures		70.992	--
Proceeds from sale of shares of discontinued operations		29.564	--
Purchases of investment property	13	(22.481)	(18.233)
Proceeds from sale of investment property		30.794	--
Net cash provided from/(used in) investing activities		(98.365)	(185.877)
Cash flows from financing activities			
Proceeds from the borrowings		401.074	528.184
Capital increase	18	12.715	--
Repayment of borrowings		(205.770)	(371.913)
Share premium		90.505	--
Public offering commissions	18	(7.942)	--
Changes in non-controlling interest		(22.649)	(38)
Net cash from financing activities		267.933	156.233
Net increase in cash and cash equivalents		102.525	53.681
Cash and cash equivalents at 1 January		283.634	106.933
Cash and cash equivalents at period end		386.159	160.614

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

Akfen Holding Anonim Şirketi and Its Subsidiaries
Notes to the Consolidated Interim Financial Statements
As at and for the six-month period ended 30 June 2010
(Currency: Thousands of TL.)

1 REPORTING ENTITY

Akfen Holding Anonim Şirketi (“Akfen Holding” or “the Company”) has started its operations in 1976 as an infrastructure and concession investment company in Turkey. The Company’s core businesses are airport concessions and construction, real estate/hotel projects and other concessions. Among the Company’s operations are airport and harbor management, vehicle inspection stations, construction, contracting, steel construction manufacturing, hydroelectric power stations, energy production with water regulators, management of water and water sewage investments and facilities and implementing real estate projects.

In 1998, the Company has started restructuring aiming to form a more efficient management structure that is in line with its growth strategies. In 1999, the Company has become a holding company and has restructured its companies under a holding framework. Today, Akfen Holding and its subsidiaries’ operations include airport management, residence construction, energy production, industrial facilities, natural gas networks and city distribution systems, environmental protection and infrastructure facilities, steel construction and conveyors, tourism investments and management, harbor management, duty free shop management, catering services, real estate projects, vehicle inspection stations management, water sewage and water investments and management, energy production via hydroelectric power stations.

Hereinafter, Akfen Holding, its subsidiaries, joint venture and associates are referred to as “The Group” or “Akfen Group”.

Akfen Holding, owned by Hamdi Akın 88,27% and ruled by him. In 14 May 2010 public offering was performed with TL 8000 nominal shares which are composed of TL 7.870 nominal shares exported due to the Company's issued capital increase from TL 104.514 to TL 112.384 and and TL 130 nominal value shares owned by Akfen İnşaat Turizm ve Ticaret A.Ş.

The address of the registered office of Akfen Holding is as follows:

Koza Sokak No:22
Gaziosmanpaşa
06700/ Ankara-Türkiye

The number of employees of Akfen Holding and subsidiaries and joint ventures of the Group at 31 March 2010 is approximately 165 (31 December 2009: 196) and 21,045 (31 December 2009: 15.088).

2 BASIS OF PREPARATION

2.1 Basis of Preparation

(a) Statement of compliance

Akfen Group entities operating in Turkey maintain their books of account and prepare their statutory financial statements in Turkish Lira (“TL”) in accordance with the accounting principles per Turkish Uniform Chart of Accounts and per Capital Market Board of Turkey applicable to entities operating in other businesses.

Akfen Group’s foreign entities maintain their records and prepare their statutory financial statements in accordance with the generally accepted accounting principles and the related legislation applicable in the countries they operate.

The accompanying consolidated financial statements are based on these statutory records with adjustments and reclassifications for the purpose of fair presentation in accordance with Capital Markets Board’s (“CMB”) regulations.

Akfen Holding Anonim Şirketi and Its Subsidiaries
Notes to the Consolidated Interim Financial Statements
As at and for the six-month period ended 30 June 2010
(Currency: Thousands of TL.)

2 BASIS OF PREPARATION (continued)

2.1 Basis of preparation (continued)

(a) Statement of compliance (continued)

According to fifth article of the communique the Companies should apply International Accounting / Reporting Standarts (“UMS/UFRS”) as accepted by European Union. But considering the temporary second article until the differences of UMS/ UFRS is accepted by International Accounting Standarts Board (“UMSK”), the standards which are accepted by UMSK will be used. Thus the Company has prepared its financials in accordance with the accepte UMS/UFRS as at 30 June 2010.

The decree of CMB, as at 17 March 2005 states that inflation accounting is not applicable for the Companies applying the accounting and reporting principles of CMB (“CMB Financial Reporting Standards”) beginning from 1January 2005. Thus inflation accounting is not applied in summary consolidated financial statements beginning from 1 January 2005.

Based on the communique the Companies are free to choose preparing a full set report or summary report considering “IAS 34 Interim Financial Reporting”. The Group has selected to prepare summary financial statements in accrodance with CMB Financial Reporting Standards.

Preparation of the Financial Statements

The Group’s summary consolidated financial statements perepared in accordance with IAS and IFRS was approved by the Board of Directos as at 25 August 2010. The consolidated financial statements and notes as at 30 June 2010 are prepared according to the Communiqué XI No 29 of CMB which was announced by the decision numbered 11/467 at 17 April 2008 related to the Principles Regarding Financial Reporting on capital market.

Accounting in Hyperinflationary Periods

In accordance with the decree of CMB as at 17 March 2005 The Group, do not applied inflation accounting beginning from 1 January 2005.

(b) Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for the following:

- derivative financial instruments are measured at fair value,
- investment properties are measured at fair value

Akfen Holding Anonim Şirketi and Its Subsidiaries
Notes to the Consolidated Interim Financial Statements
As at and for the six-month period ended 30 June 2010
(Currency: Thousands of TL.)

2 BASIS OF PREPARATION (continued)

2.1 Basis of preparation (continued)

(c) Functional and presentation currency

The accompanying consolidated financial statements are presented in TL which is Akfen Holding's functional currency. All financial information presented in TL has been rounded to the nearest thousand.

Akfen Holding and its subsidiaries operating in Turkey prepare their accounting records and legal financial statements in accordance with the the accounting principles per Turkish Uniform Chart of Accounts and per Capital Market Board of Turkey. Subsidiaries and jointly controlled entities established abroad accounting records are subject to regulations and accounting principles that are applied in the countries in which they operate. Consolidated financial statements enclosed are presented in Turkish currency and converted from legal basis to IFRS basis by series of adjustments and reclassifications.

The functional currency of the subsidiaries and jointly controlled entities are as follows:

<u>The Company</u>	<u>Functional Currency</u>
Akfen İnşaat Turizm ve Ticaret AŞ ("Akfen İnşaat")	TL
Akfen Gayrimenkul Yatırım Ortaklığı AŞ ("Akfen GYO")	TL
Akfen Altyapı Yatırımları Holding AŞ ("Akfen Altyapı Holding")	TL
Akfen Enerji Yatırımları Holding AŞ ("Akfen Enerji")	TL
Akfen Hes Yatırımları ve Enerji Üretim AŞ ("Akfen HES I")	TL
Akfen Hidroelektrik Santral Yatırımları AŞ ("Akfen HES II")	TL
Akfen Enerji Kaynakları ve Yatırımları AŞ ("Akfen HES III")	TL
Akfen Gayrimenkul Ticareti ve İnşaat AŞ ("Akfen Ticaret")	TL
TAV Havalimanları Holding AŞ ("Tav Havalimanları")	Euro
TAV Yatırım Holding AŞ ("TAV Yatırım")	USD
Mersin Uluslararası Liman İşletmeciliği AŞ ("MIP")	USD
PSA Akfen Liman İşletmeciliği ve Yönetim Danışmanlığı AŞ ("PSA Liman")	TL
Task Tepe Akfen Su Kanalizasyon Yatırım Yapım ve İşletme AŞ ("Task Su")	TL
ATI Services SA ("ATI")	CHF
Hyper Foreign Trade Holland N.V. ("Hyper Foreign")	Euro
Russian Property Investments B.V. ("RPI")	Euro
Russian Hotel Investments B.V. ("RHI")	Euro

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2 BASIS OF PREPARATION (continued)

2.1 Basis of preparation(continued)

(f) Basis of consolidation

The accompanying consolidated financial statements include the accounts of the parent company, Akfen Holding, its subsidiaries, joint ventures and associates on the basis set out in sections below. The financial statements of the entities included in the consolidation have been prepared as at the date of the consolidated financial statements in the prior periods.

The ownership and voting power rates are not changed from 31 December 2009 to 30 June 2010 except for the following companies.

(i) Subsidiaries

	30 June 2010		31 December 2009		Principal Activity
	Ownership(%)	Voting power held	Ownership(%)	Voting power held	
Akımısı	--	--	100,00	100,00	Heavy machines Real Estate
Akfen GYO	42,37	67,28	29,87	54,75	Investment Real Estate
Akfen Gayrimenkul Geliştirme	--	--	86,74	100,00	Investment Real Estate
Akfen Gayrimenkul Yatırımları	--	--	86,44	100,00	Investment
Akfen Enerji	69,75	100,00	50,25	100,00	Energy Consultancy for Infrastructure and Concessions
Akfen Altyapı Danışmanlık	--	--	99,87	100,00	Tourism
Akfen Turizm	--	--	99,86	100,00	Insurance Broking
IBS	--	--	37,00	58,00	

(ii) Joint Ventures

	30 June 2010		31 December 2009		Principal Activity
	Ownership(%)	Voting power held	Ownership(%)	Voting power held	
Artı Döviz	--	--	42,50	42,50	Currency Exchange
Tepe Akfen Reformer S.P. Zoo ("TAR")	--	--	26,00	25,96	Real Estate

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2 BASIS of PREPARATION (continued)

2.1 Basis of preparation(continued)

(f) Basis of consolidation (continued)

(ii) Acquisition from entities under common control

A business combination involving entities or businesses under common control is a business combination in which all of the combining entities or businesses ultimately are controlled by the same party or parties both before and after the combination. The acquisition of the entity being under common control is accounted for using book values, where in its consolidated financial statements the acquirer is permitted, but not required. The Group has preferred the acquisition of the entity being under common control to be accounted from the acquisition date.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with associates and joint ventures are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(iii) Business combinations for acquisitions from third parties

Acquisitions from third parties are accounted for using the purchase method. The cost of the acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree, plus any costs directly attributable to the business combination. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under UFRS 3 are recognised at their fair values at the acquisition date.

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2 BASIS OF PREPARATION (continued)

2.1 Basis of preparation(continued)

(g) Foreign currency

(i) Foreign currency transactions

Transactions in foreign currencies are translated to the functional currencies of the Group entities at the exchange rates ruling at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies at reporting date are translated to the functional currency at the exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Foreign exchange differences arising on translation are recognized in the consolidated statement of comprehensive income.

The Group entities use USD, Euro or TL, as functional currency since these currencies are used to a significant extent in, or have a significant impact on, the operations of the related Group entities and reflect the economic substances of the underlying events and circumstances relevant to these entities. All currencies other than the currency selected for measuring items in the financial statements are treated as foreign currencies. Accordingly, transactions and balances not already measured in the functional currency have been re-measured to the related functional currencies in accordance with the relevant provisions of UMS 21, *The effect of changes in foreign exchange rates*. The Group uses TL as the reporting currency.

Assets and liabilities of the Group entities with a different functional currency than the reporting currency of the Group are translated into the reporting currency of the Group at the rate of exchange ruling at the reporting date. The income and expenses of the Group entities are translated into the reporting currency at the average exchange rates for the period. Equity items are presented at their historical costs. The foreign currency differences are recognized directly in equity, under "Foreign Currency Translation Reserve" (FCTR). When the related Group entity is disposed of, in part or in full, the relevant amount in the FCTR is transferred to profit or loss.

The Euro/ TL and USD/ TL exchange rate as at the end of each periods are as follows:

	<u>30 June 2010</u>	<u>31 December 2009</u>
Euro/ TL	1,9217	2,1603
USD / TL	1,5747	1,5057

The Euro / TL, USD / TL exchange rate as at the end of each periods are as follows:

	<u>2010</u>	<u>2009</u>
Euro/ TL	2,0154	2,1497
USD / TL	1,5165	1,6487

(ii) Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to TL at exchange rates at the reporting date. The income and expenses of foreign operations are translated to TL at average exchange rates for the period.

Foreign currency differences are recognised directly in equity. Such differences are recognised in the translation reserve. When a foreign operation is disposed of, in part or in full, the relevant amount in the translation reserve is transferred to profit or loss.

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2 BASIS OF PREPARATION (continued)

2.2 Changes in Accounting Policies

(a) Changes in Accounting Policies

The significant changes in accounting policies and the identified errors corrected retrospectively. For the period ended 1 January- 30 June 2010 no changes has been made except the followings:

Accounting of increases in rights without control authorization.

As at 1 January 2010 Tav Havalimanları has applied IFRS 3 “Business Combination” and IAS 27 “Consolidated and Separate Financial Statements” standards for changes in rights which does not have control authorization. Tav Havalimanları, IAS 27 “Consolidated and Separate Financial Statements” has applied for changes in rights which does not have control authorization. According to new accounting policies, parent company presents decreases in ownership in equity as long as the parent company has the control of subsidiaries (For example: transaction with shareholders as long as they are shareholder). At the end of the transaction the profit or loss is not changed. The changes in accounting policy is prospectively applied and does not result in material changes in earning per share.

(b) New standards and interpretations not yet adopted

A number of new standards, amendments to standards and interpretations are not yet effective for the period ended 30 June 2010, and have not been applied in preparing these consolidated financial statements. The Company management thinks that none of these will have an effect on the consolidated financial statements.

2.3 Summary of Significant Accounting Policies

The summary consolidated financials statements for the period ended 30 June 2010 are prepared in compliance with TMS 34. Beyond this, the financial statements for the period ended, 30 June 2010 are in compliance with the accounting policies applied in, 31 December 2009. Thus, these summary consolidated financial statements should be evaluated with the financial statements for the year ended 31 December 2009.

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3 JOINT VENTURES

Total current assets, non-current assets, short term liabilities, long term liabilities and income and expense of joint ventures is listed below:

Statement of financial position	30 June 2010	31 December 2009
Current assets	2.108.125	2.147.942
Non-current assets	4.147.461	4.293.184
Current liabilities	(1.406.664)	(1.464.396)
Non-current liabilities	(3.572.854)	(3.771.662)

Statement of Income	1 January- 30 June 2010	1 April- 30 June 2010	1 January- 30 June 2009	1 April- 30 June 2009
Total revenues	1.409.974	776.305	2.277.041	1.130.857
Total expenses	(1.377.859)	(721.652)	(2.231.899)	(1.035.916)
Profit / (loss) for the period	32.115	54.653	45.142	94.941

4 SEGMENT REPORTING

For management purposes, the Group is currently organised into eight operating segment of which results and the performance are reviewed regularly by the Group's board of directors. Performance is measured based on segment operating profit, as included in the internal management reports that are reviewed by the Group's Management.

Information regarding the results of each reportable segment is included Tav Yatırım, Akfen İnşaat, Akfen GYO, HES I-II-III, MIP, Task Su and Tav Havalimanları.

Others

Subsidiaries and jointly controlled entities in other operations segment are Akfen Enerji, Simer, PSA Liman, Hyper Foreign, RHI, RPI, and Alsim Alarko. Akfen Holding is included in the other industrial segment as well.

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4 SEGMENT REPORTING (continued)

<u>1 January – 30 June 2010</u>	Tav Yatırım	Akfen İnşaat	Akfen GYO	HES I- II-III	MIP	Task Su	Tav Havalimanları	Other	Other discontinued	Total
External revenues	194.207	7.161	8.742	345	70.019	5.676	171.885	44	14.292	472.371
Inter segment revenue	9.802	75.038	--	--	--	--	1.584	12.914	--	99.338
Other operation income	586	9.226	16.163	7	--	10	11.904	9.767	83	47.746
Other operation expense	(111)	(14.806)	(107)	(548)	--	--	--	(2.478)	(23)	(18.073)
Financial income	1.754	5.059	20.754	21.968	854	654	7.383	43.042	828	102.296
Financial expense	(2.489)	(5.909)	(8.836)	(10.339)	(18.209)	(75)	(23.151)	(83.232)	(651)	(152.891)
Depreciation and amortization	2.867	1.389	31	1.538	9.450	148	14.595	249	86	30.353
Reportable Segment profit/(loss) before income tax	1.342	(33.680)	35.083	8.404	11.640	650	8.094	(34.540)	17.226	14.219
Capital expenditure	3.413	271	4	116.778	6.056	105	29.932	258	--	156.817
30 June 2010										
Reportable Segment assets	314.698	184.888	539.116	539.102	648.567	11.813	824.214	374.439	--	3.436.837
Reportable Segment liabilities	297.141	92.925	177.701	300.954	617.365	11.822	766.547	600.570	--	2.865.025
<u>1 April – 30 June 2010</u>										
External revenues	100.234	3.487	4.500	113	38.813	2.405	97.157	10	--	246.719
Inter segment revenue	6.369	58.187	--	--	--	--	1.584	10.158	--	76.298
Other operation income	(556)	2.954	16.107	406	--	6	8.420	593	--	27.930
Other operation expense	12	(14.299)	(102)	(546)	--	--	--	(174)	--	(15.109)
Financial income	(994)	3.615	10.720	13.314	455	480	4.949	26.223	--	58.762
Financial expense	(1.199)	(2.385)	(3.658)	(7.721)	(10.125)	(75)	(12.134)	(51.192)	--	(88.489)
Reportable Segment profit/(loss) before income tax	1.488	(30.749)	26.917	4.514	7.222	378	16.442	(24.671)	(2.722)	(1.181)
Depreciation and amortization	1.625	1.120	15	1.350	5.780	95	7.867	213	--	18.065
Capital expenditure	2.092	257	4	64.784	1.941	85	16.798	170	--	86.131

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4 SEGMENT REPORTING (continued)

<u>1 January – 30 June 2009</u>	Tav Yatırım	Akfen İnşaat	Akfen GYO	HES I- II-III	MIP	Task Su	Tav Havalimanları	Other	Other discontinued	Total
External revenues	249.470	3.731	8.421	--	56.270	1.577	211.223	113.162	41.270	685.124
Inter segment revenue	60.610	42.793	--	--	--	--	--	3.500	--	106.903
Other operation income	738	3.550	43	73	--	--	5.503	3.702	194	13.803
Other operation expense	(62)	(1.269)	(2)	--	--	--	--	(202)	(165)	(1.700)
Financial income	895	16.277	12.836	(668)	951	--	3.686	13.189	4.427	51.593
Financial expense	(4.632)	(24.369)	(21.475)	(421)	(20.328)	(5)	(17.904)	(61.610)	(6.251)	(156.995)
Depreciation and amortization	6.190	674	55	471	5.776	100	8.519	158	92	22.035
Reportable Segment profit/(loss) before income tax	27.589	40.677	(3.046)	(2.963)	2.024	(337)	2.958	(39.211)	6.133	33.824
Capital expenditure	18.646	893	--	83.058	566	2.176	93.184	5.285	--	203.808
31 December 2009										
Reportable Segment assets	362.812	109.818	479.931	316.922	624.302	19.691	1.078.964	329.846	--	3.322.286
Reportable Segment liabilities	318.992	123.441	192.031	131.082	571.338	6.217	851.191	598.986	--	2.793.278
<u>1 April – 30 June 2009</u>	Tav Yatırım	Akfen İnşaat	Akfen GYO	HES I- II-III	MIP	Task Su	Tav Havalimanları	Other	Other discontinued	Total
External revenues	115.351	2.925	4.320	--	29.106	1.095	111.699	57.137	27.997	349.630
Inter segment revenue	26.409	26.118	--	(1.596)	--	--	(150)	2.010	--	52.791
Other operation income	204	719	28	72	--	2	2.677	2.631	133	6.466
Other operation expense	325	(992)	--	24	--	--	(16)	1.548	5	894
Financial income	(1.737)	11.175	10.038	(2.236)	446	--	1.853	6.123	2.225	27.887
Financial expense	(2.359)	(8.275)	(6.433)	(26)	(9.409)	(17)	(4.468)	19.060	(4.923)	(16.850)
Reportable Segment profit/(loss) before income tax	7.733	44.188	6.215	(3.138)	2.374	(238)	13.526	30.314	2.455	103.429
Depreciation and amortization	4.502	(207)	4	(275)	1.021	100	4.255	(5.098)	5	4.307
Capital expenditure	16.516	(81)	--	68.614	(4.069)	1.286	54.161	(33.950)	--	102.477

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4 SEGMENT REPORTING (continued)

Income	1 January- 30 June 2010	1 April- 30 June 2010	1 January- 30 June 2009	1 April- 30 June 2009
Segment income	544.459	312.849	634.096	315.278
Other income	27.250	10.168	157.932	87.144
Elimination between segments	(99.338)	(76.298)	(106.903)	(52.791)
Discontinued operations eliminations	(14.292)	--	(41.270)	(27.997)
Consolidated income	458.079	246.719	643.855	321.634

Profit / (loss) before tax	1 January- 30 June 2010	1 April- 30 June 2010	1 January- 30 June 2009	1 April- 30 June 2009
Segment profit / (loss) before tax	31.533	26.212	66.902	70.660
Other profit / (loss) before tax	(17.314)	(27.393)	(33.078)	32.769
	14.219	(1.181)	33.824	103.429
Elimination between segments	3.561	4.783	(45.279)	(43.009)
Discontinued operations eliminations	(17.226)	2.722	(6.133)	(2.455)
Consolidated profit / (loss) before tax	554	6.324	(17.588)	57.965

Financial income	1 January- 30 June 2010	1 April- 30 June 2010	1 January- 30 June 2009	1 April- 30 June 2009
Segment financial income	58.426	32.539	33.977	19.539
Other financial income	43.870	26.223	17.616	8.348
Elimination between segments	(878)	(342)	(5.746)	(3.049)
Discontinued operations eliminations	(828)	--	(4.427)	(2.225)
Consolidated financial income	100.590	58.420	41.420	22.613

Financial expenses	1 January- 30 June 2010	1 April- 30 June 2010	1 January- 30 June 2009	1 April- 30 June 2009
Segment financial expenses	(69.008)	(37.297)	(89.134)	(30.987)
Other financial expenses	(83.883)	(51.192)	(67.861)	14.137
Elimination between segments	(639)	342	8.348	5.882
Discontinued operations eliminations	651	--	6.251	4.923
Consolidated financial expenses	(152.879)	(88.147)	(142.396)	(6.045)

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4 SEGMENT REPORTING (continued)

	1 January- 30 June 2010	1 April- 30 June 2010	1 January- 30 June 2009	1 April- 30 June 2009
Other operating income				
Segment other operating income	37.896	27.337	9.907	3.702
Other operating income	9.850	593	3.896	2.764
Elimination between segments	(6.423)	(941)	5.384	(2.417)
Discontinued operations eliminations	(83)	--	(194)	(133)
Consolidated other income	41.240	26.989	18.993	3.916

	1 January- 30 June 2010	1 April- 30 June 2010	1 January- 30 June 2009	1 April- 30 June 2009
Other operating expenses				
Segment other operating expenses	(15.572)	(14.935)	(1.333)	(659)
Other operating expenses	(2.501)	(174)	(367)	1.553
Elimination between segments	1.840	1.298	54	53
Discontinued operations eliminations	23	--	165	(5)
Consolidated other expenses	(16.210)	(13.811)	(1.481)	942

	<u>30 June 2010</u>	<u>31 December 2009</u>
Assets		
Segment assets	3.062.398	2.992.440
Other assets	374.439	329.846
Total assets	3.436.837	3.322.286

	<u>30 June 2010</u>	<u>31 December 2009</u>
Liabilities		
Segment liabilities	2.264.455	2.194.292
Other liabilities	600.570	598.986
Total liabilities	2.865.025	2.793.278

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5 CASH and CASH EQUIVALENTS

As at 30 June 2010 and 31 December 2009 cash and cash equivalents comprised the following.

	<u>30 June</u> <u>2010</u>	<u>31 December</u> <u>2009</u>
Cash at banks		
-Demand deposits	228.892	216.754
-Time deposits	158.586	64.227
-Repurchasing agreements	2.812	--
Cash on hand	755	1.148
Other liquid assets	1.770	3.737
Cash and cash equivalents	392.815	285.866
Bank overdrafts used for cash management purposes	(6.656)	(2.232)
Cash and cash equivalents	386.159	283.634

As at 30 June 2010 time deposits in foreign currency and Turkish lira of group were TL 158.586 and maturity of the time deposits are up to a month. Average interest rate of the foreign currency time deposits and Turkish Lira time deposits range between 0.25%-3.25 % and, 6.25-10.25 %.

The Group's exposure to foreign exchange risk and sensitivity analysis for financial assets and liabilities are disclosed in Note 25.

As at 30 June 2010 and 31 December 2009 there is no pledge on bank accounts.

6 INVESTMENTS

Current investments

As at 30 June 2010 and 31 December 2009 investments comprised of the following

	<u>30 June</u> <u>2010</u>	<u>31 December</u> <u>2009</u>
Derivatives	27.488	3.606
Time deposits longer than three months	1.543	100
	<u>29.031</u>	<u>3.706</u>

TAV Istanbul, buys certain derivatives such as currency swap contracts in order to manage its exposure to currency risk from DHMI concession payments. TAV Istanbul has entered into a forward exchange contract that fixes the parity between USD and Euro for the period of its project financing works. The contracts cover a period up to 2018 for payments in each December. As at 30 June 2010, the nominal value of the contract USD 440.792 thousand. (the Group's share: USD 115.135 thousand) (31 December 2009: USD 470.815 thousand (the Group's share: USD 122.977 thousand)).

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7 LOANS AND BORROWINGS

This note provides information about the contractual terms of the Group's interest bearing loans and borrowings, which are measured at amortized cost. For more information about the Group's exposure to, foreign currency risk, see note 25.

As at 30 June 2010 and 31 December 2009 breakdown of loans and leased borrowings of the Group is as follows:

	<u>30 June</u> <u>2010</u>	<u>31 December</u> <u>2009</u>
Non-current liabilities		
Non-current secured bank loans	1.691.147	1.808.579
Non-current unsecured bank loans	273.540	121.717
Non-current bond	100.000	--
Long term finance lease obligations	11.607	11.676
	2.076.294	1.941.972
Current liabilities		
Secured bank loan	113.913	128.211
Unsecured bank loan	8.521	35.238
Current portion of long –term secured bank loans	103.444	120.677
Current portion of long –term unsecured bank loans	28.366	5.023
Coupon payment of long term bond	2.044	--
Spot loan	1.697	2.232
Short term finance lease obligations	1.613	1.418
	259.598	292.799

The Group's bank loans and lease borrowings as at 30 June 2010 and 31 December 2009 are as follows:

	<u>30 June</u> <u>2010</u>	<u>31 December</u> <u>2009</u>
Bank loans	2.322.672	2.221.677
Finance lease obligations	13.220	13.094
	2.335.892	2.234.771

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7 LOANS and BORROWINGS (continued)

The Group's bank loans as at 30 June 2010 are as follows:

	<u>Current</u> <u>liabilities</u>	<u>Non-current</u> <u>liabilities</u>	<u>Total</u>
Akfen Holding	56.410	520.277	576.687
Akfen İnşaat	13.170	24.197	37.367
Akfen GYO	22.576	146.866	169.442
Akfen HES I-II-III	25.746	253.650	279.396
TASK Su	766	9.162	9.928
MIP	13.509	526.728	540.237
TAV Yatırım	40.629	26.994	67.623
TAV Havalimanları	72.900	552.143	625.043
RHI	7.497	4.672	12.169
RPI	4.780	--	4.780
	257.983	2.064.689	2.322.672

The Group's bank loans as at 31 December 2009 are as follows:

	<u>Current</u> <u>liabilities</u>	<u>Non-current</u> <u>liabilities</u>	<u>Total</u>
Akfen Holding	61.676	421.801	483.477
Akfen İnşaat	28.153	31.407	59.560
Akfen GYO	27.103	161.137	188.240
Akfen HES I-II-III	4.165	111.422	115.587
Akfen GYT	8.444	39.304	47.748
TASK Su	273	3.720	3.993
MIP	7.452	514.187	521.639
TAV Yatırım	34.852	32.680	67.532
TAV Havalimanları	112.226	614.638	726.864
RHI	4.107	--	4.107
RPI	2.930	--	2.930
	291.381	1.930.296	2.221.677

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7 LOANS and BORROWINGS (continued)

Terms and debt repayment schedule

Repayment Schedule of the Group bank loans according to original maturities as at 30 June 2010 and 31 December 2009 are as follows:

	<u>30 June</u> <u>2010</u>	<u>31 December</u> <u>2009</u>
Within one year	257.983	291.381
In the second year	592.006	477.957
In the third year	160.978	151.466
In the fourth year	154.629	133.517
In the fifth and more than five years	1.157.076	1.167.356
	<u>2.322.672</u>	<u>2.221.677</u>

Details of the loans summarized for each subsidiary are as follows:

Akfen Holding:

The breakdown of bank loans as at 30 June 2010 is as follows:

	<u>Currency</u>	<u>Nominal</u> <u>interest rate</u>	<u>Year of</u> <u>Maturity</u>	<u>Face Value</u>	<u>Carrying</u> <u>amount</u>
Secured bank loans ⁽¹⁾	USD	Libor +1,75	2010	11.836	12.020
Secured bank loans ⁽²⁾	USD	Libor +6,75	2011	23.621	23.621
Secured bank loans ⁽³⁾	USD	9	2011	138.574	140.505
Secured bank loans ⁽⁴⁾	USD	7	2011	3.937	3.986
Secured bank loans ⁽⁴⁾	USD	Libor+6	2011	35.964	36.367
Secured bank loans ⁽¹⁾	USD	7	2011	5.511	5.557
Secured bank loans ⁽¹⁾	USD	6	2011	5.984	6.049
Secured bank loans ⁽⁵⁾	USD	8	2011	10.317	10.532
Secured bank loans ⁽⁴⁾	USD	8	2011	15.361	15.594
Secured bank loans ⁽¹⁾	USD	10	2011	5.118	5.122
Secured bank loans ⁽³⁾	USD	0,65 monthly	2012	998	1.004
Secured bank loans ⁽⁴⁾	USD	Libor+3,5	2014	55.989	56.315
Secured bank loans ⁽⁶⁾	USD	10	2015	118.103	126.216
Secured bank loans ⁽⁴⁾	Euro	8	2011	423	427
Secured bank loans ⁽⁷⁾	TL	8,78	2011	29.156	29.174
Bond ⁽⁸⁾	TL	5,66*	2012	100.000	102.044
Spot loan	TL	--	2010	2.154	2.154
				<u>563.250</u>	<u>576.687</u>

(*). Showing the interest to be given for the first coupon payment period (182 days).

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7 LOANS and BORROWINGS (continued)

- (1) Sureties given by Hamdi Akın and Akfen İnşaat
(2) Sureties given by Hamdi Akın, Akınısı and Akfen İnşaat
(3) Sureties given by Hamdi Akın
(4) Sureties given by Hamdi Akın, Akfen İnşaat, Akfen Turizm and Akınısı
(5) Sureties given by Hamdi Akın and Akfen Turizm
(6) 1/1 cash collateral
(7) Shares pledged on Tav Havalimanları with 14,166,267 shares
(8) As at 31 March 2010 bonds are showing the, payables arising from the bonds which have maturity of two years and coupon payment of 182 days, with a floating interest rate amounting to TL 100.000

As at 31 December 2009 breakdown of bank loans is as follows:

	<u>Current</u>	<u>Nominal interest rate</u>	<u>Year of Maturity</u>	<u>Face value</u>	<u>Carrying amount</u>
Secured bank loans ⁽¹⁾	USD	9	2010	9.938	10.087
Secured bank loans ⁽¹⁾	USD	Libor+1,75	2010	12.546	12.585
Secured bank loans ⁽¹⁾	USD	Libor+6,75	2011	3.764	3.764
Secured bank loans ⁽¹⁾	USD	6,75	2011	5.722	5.785
Secured bank loans ⁽²⁾	USD	Libor+6,75	2011	18.822	18.822
Secured bank loans ⁽³⁾	USD	9	2011	132.502	134.051
Secured bank loans ⁽⁴⁾	USD	7	2011	3.764	3.812
Secured bank loans ⁽⁴⁾	USD	Libor +6	2011	34.388	34.388
Secured bank loans ⁽¹⁾	USD	6,8	2011	5.270	5.327
Secured bank loans ⁽⁵⁾	USD	8,25	2011	9.865	10.017
Secured bank loans ⁽⁶⁾	USD	8	2011	14.688	14.874
Secured bank loans ⁽¹⁾	USD	10	2011	4.894	4.897
Secured bank loans ⁽³⁾	USD	0,65 monthly	2012	1.172	1.178
Secured bank loans ⁽⁴⁾	USD	Libor+3,5	2014	60.228	60.542
Secured bank loans ⁽⁷⁾	USD	9,2	2015	112.928	115.025
Secured bank loans ⁽⁸⁾	Euro	8	2011	475	481
Secured bank loans ⁽²⁾	TL	17	2010	1.550	1.550
Secured bank loans ⁽¹⁾	TL	16,25	2010	9.690	9.690
Secured bank loans ⁽¹⁾	TL	14	2010	2.610	2.610
Secured bank loans ⁽²⁾	TL	16,5	2010	700	700
Secured bank loans ⁽²⁾	TL	15,5	2010	4.000	4.000
Secured bank loans ⁽⁹⁾	TL	8,78	2011	29.156	29.246
Spot loan	TL	--	2010	46	46
				478.718	483.477

- (1) Sureties given by Hamdi Akın and Akfen İnşaat
(2) Sureties given by Hamdi Akın, Akınısı and Akfen İnşaat
(3) Sureties given by Hamdi Akın
(4) Sureties given by Hamdi Akın, Akfen İnşaat, Akfen Turizm and Akınısı
(5) Sureties given by Hamdi Akın and Akfen Turizm
(6) Sureties given by Hamdi Akın, Akfen İnşaat, Akfen Turizm and Akınısı
(7) 1/1 cash collateral
(8) Sureties given by Hamdi Akın, Akfen İnşaat, Akfen Turizm and Akınısı
(9) Shares pledged on Tav Havalimanları with 14,166,267 shares

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7 LOANS and BORROWINGS (continued)

Collateral Shares

On 18 May 2009, GS announced that they transferred 17,437,499 TAV Havalimanları shares, which was received with TAV Havalimanları's capital increase to Tepe İnşaat, Akfen Holding and Sera Yapı. Following the exercise of the put option to Holding shares by cash settlement by GS, on 17 August 2009, GS reimbursed TAV Havalimanları shares, which are held as collateral to Tepe İnşaat and Sera Yapı.

Akfen İnşaat:

As at 30 June 2010 breakdown of bank loans is as follows:

	<u>Currency</u>	<u>Nominal interest rate</u>	<u>Year of Maturity</u>	<u>Face value</u>	<u>Carrying amount</u>
Secured bank loans ⁽¹⁾	USD	8	2010	2.260	2.325
Secured bank loans ⁽²⁾	USD	10	2011	7.748	7.915
Secured bank loans ⁽¹⁾	USD	9	2011	1.890	1.929
Secured bank loans ⁽³⁾	USD	8	2011	18.101	18.613
Secured bank loans ⁽⁴⁾	USD	8,1	2014	621	745
Secured bank loans ⁽⁵⁾	TL	17,28	2010	218	221
Secured bank loans ⁽⁶⁾	TL	15,24	2010	1.339	1.348
Secured bank loans ⁽⁵⁾	TL	15	2010	227	229
Secured bank loans ⁽⁶⁾	TL	13,8	2011	1.323	1.330
Spot loan	TL	--	2010	2.712	2.712
				36.439	37.367

⁽¹⁾ Sureties given by Akfen Holding, Hamdi Akın and Akınısı

⁽²⁾ Sureties given by Hamdi Akın and Akfen Dış Ticaret

⁽³⁾ Sureties given by Akfen Holding, Hamdi Akın, Akınısı and Akfen Turizm

⁽⁴⁾ Sureties given by Hamdi Akın and Akfen Holding

⁽⁵⁾ Sureties given by Akfen Holding

⁽⁶⁾ Sureties given by Hamdi Akın, Akfen Holding, Akfen Turizm, Akfen GYO and Akfen Enerji Yatırımları

As at 31 December 2009 breakdown of bank loans is as follows:

	<u>Currency</u>	<u>Nominal interest rate</u>	<u>Year of Maturity</u>	<u>Face value</u>	<u>Carrying amount</u>
Secured bank loans ⁽⁴⁾	USD	8	2011	2.161	2.188
Secured bank loans ⁽³⁾	USD	10	2011	7.408	7.408
Secured bank loans ⁽⁴⁾	USD	9	2011	3.614	3.637
Secured bank loans ⁽⁵⁾	USD	8,1	2011	17.308	17.492
Secured bank loans ⁽⁸⁾	USD	0,65 montly	2014	683	684
Secured bank loans ⁽⁵⁾	Euro	8	2010	3.132	3.187
Secured bank loans ⁽⁶⁾	Euro	0,6 monthly	2010	332	340
Secured bank loans ⁽¹⁾	TL	1,3 monthly	2010	3.690	3.810
Secured bank loans ⁽²⁾	TL	25	2010	5.699	5.699
Secured bank loans ⁽²⁾	TL	17	2010	175	175
Secured bank loans ⁽²⁾	TL	16	2010	975	975
Secured bank loans ⁽⁶⁾	TL	17,61	2010	2.887	2.987
Secured bank loans ⁽⁶⁾	TL	18,16	2010	202	224
Secured bank loans ⁽⁷⁾	TL	14	2010	1.065	1.065
Secured bank loans ⁽²⁾	TL	16,25	2010	8.947	8.947
Secured bank loans ⁽⁶⁾	TL	22,4	2010	321	342
Secured bank loans ⁽⁶⁾	TL	2,5 monthly	2010	267	290
Spot loan	TL	--	--	110	110
				58.976	59.560

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7 LOANS and BORROWING (continued)

- (¹) Sureties given by Akfen Holding
(²) Sureties given by Hamdi Akın and Akfen Holding
(³) Sureties given by Hamdi Akın and Akfen Holding
(⁴) Sureties given by Akfen Holding, Hamdi Akın and Akınısı
(⁵) Sureties given by Hamdi Akın, Akfen Holding, Akfen Turizm, Akınısı
(⁶) Sureties given by Akfen Holding, Hamdi Akın, Akınısı, Akfen Turizm, Akfen GYO and Akfen Enerji
(⁷) Sureties given by Akfen Holding, Hamdi Akın and Aksel Turizm
(⁸) Sureties given by Hamdi Akın

Akfen GYO:

As at 30 June 2010 breakdown of bank loans is as follows:

	<u>Currency</u>	<u>Nominal interest rate</u>	<u>Year of Maturity</u>	<u>Face value</u>	<u>Carrying amount</u>
Secured bank loans ⁽¹⁾	Euro	Euribor + 4,75	2019	117.502	117.502
Secured bank loans ⁽²⁾	Euro	Euribor + 3,70	2015	32.190	32.190
Secured bank loans ⁽³⁾	TL	10,0	2016	16.446	16.446
Secured bank loans ⁽⁴⁾	TL	11,0	2010	2.207	2.211
Secured bank loans ⁽⁵⁾	TL	10,0	2010	1.000	1.000
Spot loan	TL	--	--	93	93
				169.438	169.442

As at 31 December 2009 breakdown of bank loans is as follows:

	<u>Currency</u>	<u>Nominal interest rate</u>	<u>Year of Maturity</u>	<u>Face value</u>	<u>Carrying amount</u>
Secured bank loans ⁽⁵⁾	USD	14	2010	1.054	1.060
Secured bank loans ⁽⁵⁾	Euro	14	2010	648	652
Secured bank loans ⁽²⁾	Euro	Euribor+3,70	2015	38.885	39.388
Secured bank loans ⁽¹⁾	Euro	Euribor+4,75	2019	124.217	125.026
Secured bank loans ⁽⁵⁾	TL	23,5	2010	1.641	1.641
Secured bank loans ⁽⁴⁾	TL	23	2010	2.207	2.411
Secured bank loans ⁽⁴⁾	TL	22,8	2010	1.460	1.543
Secured bank loans ⁽³⁾	TL	10	2016	15.995	16.248
Spot loan	TL	--	--	271	271
				186.378	188.240

(¹) A loan agreement of Euro 100 million is signed with the cooperation of Türkiye İş Bankası AŞ and Türkiye Sınai Kalkınma Bankası AŞ ("TSKB") on 30 July 2008 for financing the hotel projects constructed based on the Memorandum of Understanding which is signed between the Company and Accor S.A. to develop hotel projects in Turkey. Based on the loan agreement, commitment commission which is calculated as annual rate of 1.25 percent on the unused portion of the loan at each quarter from the agreement date till the maturity date is paid. 0.50 percent of the related amount used in each grant from TSKB and 1.00 percent of the related amount is paid as commission. As at 30 June 2010 Company used credit Euro 60.750 thousand. Commitment to credit commission accrual cost TL 201.562 is shown on the note of Short-Term Liabilities (Note 17) for unused credit cost Euro 39.250 thousand

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7 LOANS and BORROWINGS (continued)

Bank borrowings obtained with this agreement is secured by the followings:

-Right of tenancy of the hotels in Gaziantep, Kayseri, Trabzon, Beylikdüzü, Zeytinburnu and land of Beylikdüzü Hotel Project are pledged in favor of the creditors,

-Rental revenue of these hotels is pledged in favor of the creditors,

-Demand deposits in banks and financial institutions related with the these projects are pledged in favor of the creditors and shareholders are guaranteed completion of related projects,

-1st, 2nd and 3rd independent divisions of the real estate owned by Akfen GYO with 0.50 percentage are pledged in favor of the creditor.

⁽²⁾Bank borrowings obtained from ING European Financial Services Plc for refinancing the bank borrowings obtained from various banks for financing the construction of Mercure in Northern Cyprus is secured by the followings:

-According to the Board of Directors resolution numbered 2008/16 and dated 3 July 2008, the Company pledged 279,000 of Type A shares of Akfen Ticaret amounting TL 7,000 as a surety,

-Right of tenancy of Mercure Hotel in Northern Cyprus is pledged in favor of the creditors,

-Rental revenue of the casino in Mercure Hotel in Northern Cyprus is pledged in favor of the creditors,

-Rental revenue of Mercure Hotel in Northern Cyprus is pledged in favor of the creditors,

-Sureties of the shareholders' of Akfen GYO for the total outstanding loan amount,

-Guarantees of letter from various banks for the total outstanding loan amount.

⁽³⁾ Bank borrowings obtained from Türkiye Kalkınma Bankası AŞ for financing construction of Mercure Hotel in Northern Cyprus is secured by the followings:

-Letter of guarantees from various banks for the total outstanding loan amount,

-Sureties of the Akfen İnşaat shareholder of Akfen GYO for the total outstanding loan amount.

⁽⁴⁾ Bank borrowings obtained from various banks for financing the construction of Mercure Hotel in Northern Cyprus are secured by sureties of the shareholders' for the total outstanding loan amount.

⁽⁵⁾ Bank borrowings obtained from various banks for financing construction of ongoing hotel projects is secured by the following:

-Sureties of the shareholders' of Akfen GYO for the total outstanding loan amount.

⁽⁶⁾ Bank borrowings obtained for payments to Social Security Institution.

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7 LOANS and BORROWINGS (continued)

Akfen HES I-II-III:

As at 30 June 2010 the breakdown of bank loans is as follows:

	<u>Currency</u>	<u>Nominal interest rate</u>	<u>Year of Maturity</u>	<u>Face value</u>	<u>Carryig value</u>
Unsecured bank loans	Euro	Euribor+6,5	2020	278.376	279.396
				278.376	279.396
	<u>Currency</u>	<u>Nominal interest rate</u>	<u>Year of Maturity</u>	<u>Face value</u>	<u>Carryig amount</u>
Unsecured bank loans	Euro	Euribor+6,5	2020	112.085	115.587
				112.085	115.587

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7 LOANS and BORROWINGS (continued)

Task Su:

As at 30 June 2010 break down of bank loans is as follows:

	<u>Currency</u>	<u>Nominal interest rate</u>	<u>Year of Maturity</u>	<u>Face value</u>	<u>Carrying amount</u>
Secured bank loans ⁽¹⁾	Euro	Euribor+8	2011	9.608	9.912
Unsecured bank loans	TL	14,2	2010	16	16
				9.624	9.928

As at 31 December 2009 breakdown of bank loans is as follows:

	<u>Currency</u>	<u>Nominal interest rate</u>	<u>Year of Maturity</u>	<u>Face value</u>	<u>Carrying amount</u>
Secured bank loans ⁽¹⁾	Euro	Euribor+8	2011	3.889	3.993
				3.889	3.993

¹⁾ Task Dilovası has executed a loan agreement with Bank Hapoalim amounted Euro 5,000 thousand with Euribor+8 percent in order to finance its ongoing project. Euro 500 thousand utilized in July 2009, a part of Euro 500 thousand utilized in August 2009 and a portion amounting Euro 800 thousand utilized in November 2009.

Task Dilovası has pledged shares of Task Water, Task Su, Akfen Holding, Task Güllük and Arbiogaz amounting to TL 6,050 as surety in order to obtain Hapoalim Bank borrowings.

MIP:

As at 30 June 2010 breakdown of bank loans is as follows:

	<u>Currency</u>	<u>Nominal interest rate</u>	<u>Year of Maturity</u>	<u>Face value</u>	<u>Carrying amount</u>
Secured bank loans ⁽¹⁾	USD	Libor+2,5	2020	451.444	451.444
Secured bank loans ⁽¹⁾	USD	Libor+1	2020	88.793	88.793
				540.237	540.237

As at 31 December 2009 breakdown of bank loans is as follows

	<u>Currency</u>	<u>Nominal interest rate</u>	<u>Year of Maturity</u>	<u>Face value</u>	<u>Carrying amount</u>
Secured bank loans ⁽¹⁾	USD	Libor+2,5	2020	437.404	437.404
Secured bank loans ⁽¹⁾	USD	Libor+1	2020	84.235	84.235
				521.639	521.639

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7 LOANS and BORROWINGS (continued)

⁽¹⁾ The Company has obtained two bank borrowings namely Senior Debt Loan and Mezzanine Loan amounting to USD 300,000 thousand and USD 50,000 thousand respectively, in order to finance the payment regarding the right received from TCDD to charge users of Mersin International Port. Senior Debt Loan is stated net of transaction costs amounting to USD 6,564 thousand. Mezanine loan is a rotative loan and the principal payment can be paid at the maturity date of 2020 where till that date unpaid interest expenses are added to the principle.

According to the share pledge agreement signed on 11 May 2007 with Syndication Banks, the shares of MIP have been given as collateral for Senior Debt Loan to these banks. Mezanine loan is secured by the surety of PSA International Group.

TAV Yatırım:

As at 30 June 2010 and 31 December 2009 breakdown of bank loans are as follows:

	<u>30 June 2010</u>	<u>31 December 2009</u>
TAV Yatırım	13.708	16.550
TAV İnşaat	44.734	45.167
TAV Gulf	9.181	5.815
	<u>67.623</u>	<u>67.532</u>

TAV Yatırım

As at 30 June 2010 breakdown of bank loans is as follows:

	<u>Currency</u>	<u>Nominal interest rate</u>	<u>Year of Maturity</u>	<u>Face value</u>	<u>Carrying amount</u>
Secured bank loans ⁽¹⁾	Euro	8,0	2011	3.506	3.506
Secured bank loans ⁽¹⁾	TL	8,4	2010	10.202	10.202
				<u>13.708</u>	<u>13.708</u>

As at 31 December 2009 breakdown of bank loans is as follows

	<u>Currency</u>	<u>Nominal interest rate</u>	<u>Year of Maturity</u>	<u>Face value</u>	<u>Carrying amount</u>
Secured bank loans ⁽¹⁾	Euro	8,0	2011	3.794	3.794
Secured bank loans ⁽¹⁾	TL	8,8	2010	12.756	12.756
				<u>16.550</u>	<u>16.550</u>

⁽¹⁾Sureties given by Akfen İnşaat and Tepe İnşaat.

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7 LOANS and BORROWINGS (continued)

TAV İnşaat

As at 30 June 2010 breakdown of bank loans is as follows:

	<u>Currency</u>	<u>Nominal interest rate</u>	<u>Year of Maturity</u>	<u>Face value</u>	<u>Carrying amount</u>
Secured bank loans ⁽²⁾	USD	6,0	2011	6.656	6.656
Secured bank loans ⁽²⁾	USD	5,0	2012	4.722	4.722
Secured bank loans ⁽²⁾	USD	5,0	2012	3.362	3.362
Secured bank loans ⁽¹⁾	USD	9,5	2011	3.702	3.702
Secured bank loans ⁽¹⁾	USD	7,8	2011	3.575	3.575
Secured bank loans ⁽²⁾	USD	5,0	2012	3.382	3.382
Secured bank loans ⁽²⁾	Euro	6,5	2011	5.601	5.601
Secured bank loans ⁽¹⁾	Euro	8,1	2011	6.132	6.132
Secured bank loans ⁽³⁾	Euro	6,5	2010	4.106	4.106
Secured bank loans ⁽¹⁾	Euro	8,0	2011	3.496	3.496
				44.734	44.734

As at 31 December 2009 breakdown of bank loans is as follows:

	<u>Currency</u>	<u>Nominal interest rate</u>	<u>Year of Maturity</u>	<u>Face value</u>	<u>Carrying amount</u>
Secured bank loans ⁽²⁾	USD	6,0	2010	10.693	10.693
Secured bank loans ⁽²⁾	USD	7,0	2010	176	176
Secured bank loans ⁽²⁾	USD	6,9	2010	2	2
Secured bank loans ⁽²⁾	USD	6,0	2011	6.334	6.334
Secured bank loans ⁽¹⁾	USD	9,5	2011	3.388	3.388
Secured bank loans ⁽¹⁾	USD	7,8	2011	3.264	3.264
Secured bank loans ⁽³⁾	Euro	6,5	2010	4.650	4.650
Secured bank loans ⁽²⁾	Euro	6,0	2010	51	51
Secured bank loans ⁽¹⁾	Euro	8,1	2011	6.639	6.639
Secured bank loans ⁽¹⁾	Euro	8,0	2011	3.725	3.725
Secured bank loans ⁽²⁾	Euro	6,5	2011	6.245	6.245
				45.167	45.167

⁽¹⁾ Sureties given by Akfen İnşaat and Tepe İnşaat.

⁽²⁾ Sureties given by Akfen İnşaat, Tav Yatırım Holding and Tepe İnşaat.

⁽³⁾ Sureties given by Tav Yatırım Holding.

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7 LOANS and BORROWINGS (continued)

TAV Gulf

As at 30 June 2010 breakdown of bank loans is as follows

	<u>Currency</u>	<u>Nominal interest rate</u>	<u>Year of Maturity</u>	<u>Face value</u>	<u>Carrying amount</u>
Secured bank loans ⁽¹⁾	UAE Dirham	7,0	2010	917	917
Secured bank loans ⁽¹⁾	UAE Dirham	7,0	2010	321	321
Secured bank loans ⁽¹⁾	UAE Dirham	7,0	2010	1.512	1.512
Secured bank loans ⁽²⁾	UAE Dirham	8,0	2010	2.763	2.763
Secured bank loans ⁽²⁾	UAE Dirham	8,0	2010	2.742	2.742
Secured bank loans ⁽²⁾	UAE Dirham	6,5	2010	419	419
Secured bank loans ⁽²⁾	UAE Dirham	8,0	--	368	368
Secured bank loans ⁽²⁾	UAE Dirham	4,3	2011	82	82
Secured bank loans ⁽²⁾	UAE Dirham	5,2	2011	57	57
				9.181	9.181

As at 31 December 2009 breakdown of bank loans is as follows:

	<u>Currency</u>	<u>Nominal interest rate</u>	<u>Year of Maturity</u>	<u>Face value</u>	<u>Carrying amount</u>
Secured bank loans ⁽³⁾	UAE Dirham	7,5	2010	3.137	3.137
Secured bank loans ⁽⁴⁾	UAE Dirham	7,5	2010	2.035	2.035
Secured bank loans ⁽⁵⁾	UAE Dirham	4,6	2010	180	180
Spot loan	UAE Dirham	--	--	463	463
				5.815	5.815

⁽¹⁾ Sureties given by TAV Tepe Akfen Yatırım İnşaat.

⁽²⁾ Sureties given by TAV Tepe Akfen Yatırım İnşaat and Tav Yatırım Holding.

⁽³⁾ Sureties given by TAV Yatırım İnşaat and Tav Yatırım Holding.

⁽⁴⁾ Sureties given by TAV Yatırım İnşaat.

⁽⁵⁾ Vehicle. Cars were pledged.

TAV Havalimanları:

As at 31 March 2010 and 31 December 2009 breakdown of loans is as follows:

	<u>30 June 2010</u>	<u>31 December 2009</u>
TAV İstanbul	215.677	251.885
TAV Tunus	188.225	210.854
TAV Holding	26.587	90.324
TAV Esenboğa	71.768	81.372
TAV İzmir	32.194	42.817
TAV Tiflis	17.403	17.784
ATÜ	12.596	13.583
HAVAŞ	10.409	11.602
HAVAŞ Holding	30.207	--
Other	19.977	6.643
	625.043	726.864

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7 LOANS and BORROWINGS (continued)

TAV İstanbul

As at 30 June 2010 breakdown of loans of TAV İstanbul is as follows:

	<u>Currency</u>	<u>Nominal interest rate</u>	<u>Year of Maturity</u>	<u>Face value</u>	<u>Carrying amount</u>
Secured bank loan	Euro	Euribor + 2,50	2018	200.974	196.624
Secured bank loan	Euro	Euribor + 2,50	2019	19.375	18.945
Spot loan	TL	--	--	108	108
				220.457	215.677

As at December 2009 breakdown of loans of TAV İstanbul is as follows:

	<u>Currency</u>	<u>Nominal interest rate</u>	<u>Year of Maturity</u>	<u>Face value</u>	<u>Carrying amount</u>
Secured bank loan	Euro	Euribor + 2,50	2018	234.616	229.514
Secured bank loan	Euro	Euribor + 2,50	2019	22.570	22.064
Spot Loan	TL	--	--	307	307
				257.493	251.885

TAV Tunus

As at 30 June 2010 breakdown of loans of TAV Tunus is as follows:

	<u>Currency</u>	<u>Nominal interest rate</u>	<u>Year of Maturity</u>	<u>Face value</u>	<u>Carrying amount</u>
Secured bank loan	Euro	Euribor + 2,28	2022	84.490	83.625
Secured bank loan	Euro	Euribor + 2,00	2028	55.331	54.490
Secured bank loan	Euro	Euribor + 1,54	2028	35.135	35.243
Secured bank loan	Euro	Euribor + 4,75	2028	15.003	14.867
				189.989	188.225

As at 31 December 2009 breakdown of loans of TAV Tunus is as follows:

	<u>Currency</u>	<u>Nominal interest rate</u>	<u>Year of Maturity</u>	<u>Face value</u>	<u>Carrying amount</u>
Secured bank loan	Euro	Euribor + 2,00	2022	94.980	93.638
Secured bank loan	Euro	Euribor + 1,54	2028	62.200	61.126
Secured bank loan	Euro	Euribor + 2,28	2028	16.900	16.643
Secured bank loan	Euro	Euribor + 4,75	2028	39.498	39.447
				213.578	210.854

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7 LOANS and BORROWINGS (continued)

TAV Holding

As at 30 June 2010 breakdown of loans of TAV Holding is as follows:

	<u>Currency</u>	<u>Nominal interest rate</u>	<u>Year of Maturity</u>	<u>Face value</u>	<u>Carrying amount</u>
Unsecured bank loan	USD	5,50	2011	10.282	10.463
Unsecured bank loan	Euro	4,10-8,0	2011	8.533	8.540
Secured bank loan	Euro	8,0	2011	4.015	4.033
Unsecured bank loan	Euro	Libor+4,50	2010	1.714	1.722
Unsecured bank loan	TL	8,5	2010	1.698	1.698
Spot loan	TL	--	--	131	131
				26.373	26.587

As at 31 December 2009 breakdown of loans of TAV Holding is as follows:

	<u>Currency</u>	<u>Nominal interest rate</u>	<u>Year of Maturity</u>	<u>Face value</u>	<u>Carrying amount</u>
Unsecured bank loan	USD	4,50	2010	3.933	3.935
Unsecured bank loan	USD	Libor + 1,20	2010	3.277	3.293
Secured bank loan	USD	Libor + 1,85	2012	35.176	35.330
Secured bank loan	Euro	Euribor + 4,00	2010	5.643	5.666
Unsecured bank loan	Euro	Euribor + 5,00	2010	7.053	7.083
Unsecured bank loan	Euro	Euribor + 4,00	2010	11.285	11.316
Unsecured bank loan	Euro	6,25	2010	1.975	2.041
Secured bank loan	Euro	8,00	2011	5.642	5.670
Unsecured bank loan	Euro	4,1	2011	8.464	8.470
Unsecured bank loan	TL	16,25	2010	2.612	2.860
Unsecured bank loan	TL	16,50	2010	2.651	2.902
Unsecured bank loan	TL	8,75	2010	1.698	1.718
Spot Loan	TL	--	--	40	40
				89.449	90.324

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7 LOANS and BORROWINGS (continued)

TAV Esenboğa

As at 30 June 2010 breakdown of loans of TAV Esenboğa is as follows:

	<u>Currency</u>	<u>Nominal interest rate</u>	<u>Year of Maturity</u>	<u>Face value</u>	<u>Carrying amount</u>
Secured bank loan	Euro	Euribor + 2,35	2021	73.031	71.613
Spot loan	TL	--	--	155	155
				73.186	71.768

As at 31 December 2009 breakdown of loans of TAV Esenboğa is as follows:

	<u>Currency</u>	<u>Nominal interest rate</u>	<u>Year of Maturity</u>	<u>Face value</u>	<u>Carrying amount</u>
Secured bank loan	Euro	Euribor + 2,35	2021	82.945	81.279
Spot loan	TL	--	--	93	93
				83.038	81.372

TAV İzmir

As at 30 June 2010 breakdown of loans of TAV İzmir is as follows:

	<u>Currency</u>	<u>Nominal interest rate</u>	<u>Year of Maturity</u>	<u>Face value</u>	<u>Carrying amount</u>
Secured bank loan	Euro	Euribor + 3,00	2013	31.603	32.194
				31.603	32.194

As at 31 December 2009 breakdown of loans of TAV İzmir is as follows:

	<u>Currency</u>	<u>Nominal interest rate</u>	<u>Year of Maturity</u>	<u>Face value</u>	<u>Carrying amount</u>
Secured bank loan	Euro	Euribor + 3,00	2013	41.931	42.817
				41.931	42.817

TAV Tiflis

As at 30 June 2010 breakdown of loans of TAV Tiflis is as follows:

	<u>Currency</u>	<u>Nominal interest rate</u>	<u>Year of Maturity</u>	<u>Face value</u>	<u>Carrying amount</u>
Secured bank loan	USD	Libor + 4,50	2015	17.206	17.403
				17.206	17.403

As at 31 December 2009 breakdown of loans of TAV Tiflis is as follows:

	<u>Currency</u>	<u>Nominal interest rate</u>	<u>Year of Maturity</u>	<u>Face value</u>	<u>Carrying amount</u>
Secured bank loan	USD	Libor + 4,50	2015	17.749	17.784
				17.749	17.784

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7 LOANS and BORROWINGS (continued)

ATÜ

As at 30 June 2010 breakdown of loans and borrowing of TAV ATÜ is as follows:

	<u>Currency</u>	<u>Nominal interest rate</u>	<u>Year of Maturity</u>	<u>Face value</u>	<u>Carrying amount</u>
Secured bank loan	Euro	Euribor + 2,70	2015	5.815	5.781
Secured bank loan	Euro	5,00 - 7,00	2012-2018	5.530	5.652
Secured bank loan	Euro	5,20	2012	627	648
Secured bank loan	Tunusia Dinar	5,93	2013	337	344
Spot loan	TL	--	--	171	171
				12.480	12.596

As at 31 December 2009 breakdown of loans and borrowings of TAV ATÜ is as follows:

	<u>Currency</u>	<u>Nominal interest rate</u>	<u>Year of Maturity</u>	<u>Face value</u>	<u>Carrying amount</u>
Secured bank loan	Euro	5,00	2012	689	689
Secured bank loan	Euro	Euribor + 2,70	2015	7.132	7.097
Secured bank loan	Euro	Euribor + 2,70	2018	5.640	5.797
				13.461	13.583

HAVAŞ

As at 30 June 2010 breakdown of loans of HAVAŞ is as follows:

	<u>Currency</u>	<u>Nominal interest rate</u>	<u>Maturity</u>	<u>Face value</u>	<u>Carrying amount</u>
Secured bank loan	Euro	Euribor + 5,75	2017	10.039	9.935
Spot loan	TL	--	--	474	474
				10.513	10.409

As at 31 December 2009 breakdown of loans of HAVAŞ is as follows:

	<u>Currency</u>	<u>Nominal interest rate</u>	<u>Year of Maturity</u>	<u>Face value</u>	<u>Carrying amount</u>
Secured bank loan	Euro	Euribor + 5,75	2017	11.285	11.157
Spot loan	TL	--	--	445	445
				11.730	11.602

HAVAŞ Holding

As at 30 June 2010 breakdown of loans of HAVAŞ Holding is as follows:

	<u>Currency</u>	<u>Nominal interest rate</u>	<u>Year of Maturity</u>	<u>Face value</u>	<u>Carrying amount</u>
Secured bank loan	Euro	Euribor + 4,75	2018	30.116	30.207
				30.116	30.207

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7 LOANS and BORROWINGS (continued)

RHI:

As at 30 June 2010 breakdown of loans is as follows:

	<u>Currency</u>	<u>Nominal interest rate</u>	<u>Year of Maturity</u>	<u>Face value</u>	<u>Carrying amount</u>
Secured bank loans	Euro	Euribor +7,5	2009	12.169	12.169
				12.169	12.169

As at 31 December 2009 breakdown of loans is as follows

	<u>Currency</u>	<u>Nominal interest rate</u>	<u>Year of Maturity</u>	<u>Face value</u>	<u>Carrying amount</u>
Secured bank loans	Euro	Euribor +7,5	2010	4.107	4.107
				4.107	4.107

RPI:

As at 30 June 2010 breakdown of loans is as follows

	<u>Currency</u>	<u>Nominal interest rate</u>	<u>Year of Maturity</u>	<u>Face value</u>	<u>Carrying amount</u>
Secured bank loans	Euro	Euribor +7,5	2010	3.944	4.780
				3.944	4.780

As at 31 December 2009 breakdown of loans is as follows:

	<u>Currency</u>	<u>Nominal interest rate</u>	<u>Year of Maturity</u>	<u>Face value</u>	<u>Carrying amount</u>
Secured bank loans	Euro	Euribor +7,5	2010	2.930	2.930
				2.930	2.930

8 OTHER FINANCIAL LIABILITIES

Other short term financial liabilities

As at 30 June 2010 and 31 December 2009 other short term financial liabilities of the Group is as follows:

	<u>30 June 2010</u>	<u>31 December 2009</u>
Derivatives	63.267	48.188
	63.267	48.188

As at 30 June 2010 and 31 December 2009 other short term liabilities are comprised of derivative instruments of TAV Havalimanları.

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8 OTHER FINANCIAL LIABILITIES (continued)

Interest rate swap and derivative agreements

TAV Esenboğa uses interest rate derivatives to manage its exposure to interest rate fluctuations on its bank borrowings. 100% of project finance loan is hedged through Interest Rate Swap (“IRS”) contract during the life of the loan with an amortising schedule depending on repayment of the loan.

TAV İstanbul uses interest rate derivatives to manage its exposure to interest rate fluctuations on its bank borrowings. Approximately 100% of project finance loan is hedged through IRS contract during the life of the loan with an amortising schedule depending on repayment of the loan.

TAV Tunisia uses interest rate derivatives to manage its exposure to interest rate fluctuations on its bank borrowings. 85% of project finance loan is hedged through IRS instrument contract during the life of the hedging contract loan with an amortising schedule depending on repayment of the loan.

TAV İzmir uses interest rate derivatives to manage its exposure to interest rate fluctuations on its bank borrowings. 68% of project finance loan is hedged through IRS instrument contract during the life of the hedging contract loan with an amortising schedule depending on repayment of the loan.

Other long term financial liabilities

As at 30 June 2010 and 31 December 2009 other long term financial liabilities are as follows:

	<u>30 June</u> <u>2010</u>	<u>31 December</u> <u>2009</u>
Derivatives	59.211	37.596
	<u>59.211</u>	<u>37.596</u>

As at 30 June 2010 and 31 December 2009 the Group’s other financial liabilities are comprised of derivative instruments of MIP.

Derivative agreements

MIP uses interest rate swap to manage its exposure to interest rate movements on 75% of its senior debt loan for loan maturity from Bayerische Hypo-und Vereinsbank AG and ABN Amro Bank.

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9 TRADE RECEIVABLES and PAYABLES

Short-term trade receivables

As at 30 June 2010 and 31 December 2009 current trade receivables comprised of the following:

	<u>30 June</u> <u>2010</u>	<u>31 December</u> <u>2009</u>
Due from related parties (Note 25)	15.312	23.804
Other trade receivables	233.794	258.927
	<u>249.106</u>	<u>282.731</u>

As at 30 June 2010 and 31 December 2009 other trade receivables are comprised of the following:

	<u>30 June 2010</u>	<u>31 December 2009</u>
Due from customers for contract work (Note 12)	70.601	96.856
Contract receivables	92.165	54.116
Trade receivables	46.991	76.233
Guaranteed passenger fee receivable from DHMI	11.803	12.329
Retentions held by employer	13.815	21.277
Notes receivable	363	182
Allowances for doubtful receivables (-)	(2.037)	(2.066)
Others	93	--
	<u>233.794</u>	<u>258.927</u>

Guaranteed passenger fee receivable represents the remaining discounted guaranteed passenger fee to be received from DHMI according to the agreements made for the operations of Ankara Esenboğa Airport and İzmir Adnan Menderes Airport as a result of UFRYK 12 application.

Retentions held by the employer as guarantee are retentions held from progress payments to specified contractual rates. Such guarantees are collected following the completion of the project.

Long-term trade receivables

As at 30 June 2010 and 31 December 2009 non-current trade receivables are comprised of the following:

	<u>30 June 2010</u>	<u>31 December 2009</u>
Due from related parties (Note 25)	1.029	3.751
Other trade receivables	98.788	99.407
	<u>99.817</u>	<u>103.158</u>

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9 TRADE RECEIVABLES and PAYABLES (continued)

As at 30 June 2010 and 31 December 2009 long term trade receivables are comprised of the following.

	<u>30 June 2010</u>	<u>31 December 2009</u>
Guarenteed passanger fee receivable from DHMI	62.307	75.868
Retentions held by employer	21.821	13.968
Guarenteed receivables from OSB	14.660	9.571
	98.788	99.407

Short-term trade payables

As at 30 June 2010 and 31 December 2009 current trade payables of the Group are comprised of the following:

	<u>30 June 2010</u>	<u>31 December 2009</u>
Due to related parties (Note 25)	13.015	24.650
Other trade payables	104.145	154.571
	117.160	179.221

As at 30 June 2010 and 31 December 2009 other current trade payables are comprised of the following:

	<u>30 June 2010</u>	<u>31 December 2009</u>
Trade payables	86.588	145.863
Retentions held by the Group	14.814	8.708
Customers for contract work (Note 12)	2.743	--
	104.145	154.571

Trade payables consist of payables to the suppliers for construction in progress activities, payables to subcontractors and payables to insurance companies

Long-term trade payables

As at 30 June 2010 and 31 December 2009 non-current trade payables are comprised of the following:

	<u>30 June 2010</u>	<u>31 December 2009</u>
Due to related parties (Note 25)	274	5.889
Other trade payables	5.651	10.422
	5.925	16.311

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9 TRADE RECEIVABLES and PAYABLES (continued)

As at 30 June 2010 and 31 December 2009 other non-current payables are comprised of the following:

	<u>30 June 2010</u>	<u>31 December 2009</u>
Retentions held by the Group	5.651	10.315
Other trade payables	--	107
	5.651	10.422

10 OTHER RECEIVABLES and PAYABLES

Other short-term receivables

As at 30 June 2010 and 31 December 2009 other current receivables are comprised of the following:

	<u>30 June 2010</u>	<u>31 December 2009</u>
Due from related parties (Note 25)	10.637	5.295
Other non-trade receivables	147.554	183.805
	158.191	189.100

As at 30 June 2010 and 31 December 2009 other non-current other receivables are comprised of the following:

	<u>30 June 2010</u>	<u>31 December 2009</u>
Project reserve and funding accounts (*)	130.275	171.075
Cash collaterals (**)	3.735	6.021
Other	13.544	6.709
	147.554	183.805

(*) Certain subsidiaries, such as TAV İstanbul, TAV Esenboğa, TAV İzmir, TAV Tunisia, TAV Tiflis and ATÜ (“the Borrowers”) opened Project Accounts designated mainly in order to reserve required amount of debt services, lease payment to DHMİ based on agreements with their lenders. As a result of pledges regarding the project bank loans as explained in Note 30, all cash hold by above mentioned joint ventures except for cash on hand are classified in these accounts. Based on these agreements, the Group can access and use such restricted cash but all withdrawals from the project accounts are upon the lenders’ consent.

(**) Comprised of the time deposits of HAVAŞ given as a collateral for its bank loan.

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10 OTHER RECEIVABLES and PAYABLES (continued)

Other long-term receivables

As at 30 June 2010 and 31 December 2009 other non-current receivables of the Group are as follows:

	<u>30 June</u> <u>2010</u>	<u>31 December</u> <u>2009</u>
Due from related parties (Note 25)	9.352	1.878
Other non-current receivables	1.583	2.214
	10.935	4.092

As at 30 June 2010 non-current portion of other receivables 1.404 TL (31 December 2009: 2.214 TL) includes deposits and guarantees given.

Other short-term payables

As at 30 June 2010 and 31 December 2009 other current payables of the Group are as follows:

	<u>30 June</u> <u>2010</u>	<u>31 December</u> <u>2009</u>
Due to related Parties (Note 25)	25.107	13.143
Other Payables	125.630	152.801
	150.737	165.944

As at 30 June 2010 and 31 December 2009 other current payables comprised of the following:

	<u>30 June</u> <u>2010</u>	<u>31 December</u> <u>2009</u>
Advances received	88.018	106.903
Deposits and guarantees received	9.141	7.390
Taxes and duties payable	7.116	16.875
Corporate tax payable	9.141	7.390
Due to personnel	6.938	6.887
TAV Tunus concession payable	6.312	6.461
Other payables	1.070	3.048
	125.630	152.801

Advances received are mainly comprised of advances received from employers for construction projects.

Deposits and guarantees received are mainly comprised of guarantee deductions from subcontractors' progress payments.

According to concession agreement TAV Tunus is obliged to pay between 11 % and 26 % of the total revenues of Monastr and Enfidha Airports for 40 years.

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10 OTHER RECEIVABLES and PAYABLES (continued)

Other long-term payables

As at 30 June 2010 and 31 December 2009 non-current payables of the Group are as follows:

	<u>30 June 2010</u>	<u>31 December 2009</u>
Due to related parties (Note 25)	10.270	10.833
Other payables	19.225	27.181
	29.495	38.014

As at 30 June 2010 and 31 December 2009 advances received are mainly comprised of advances received from employers for construction projects.

11 INVENTORIES

As at 30 June 2010 and 31 December 2009, inventories comprised the following:

	<u>30 June 2010</u>	<u>31 December 2009</u>
Raw materials	2.699	231
Tax-free shop inventory	3.409	3.319
Spare parts	2.489	2.639
Trading property	1.708	7.030
Trading properties under development	--	30.967
Other inventory	1.044	1.572
	11.349	45.758

As of 31 December 2009, trading properties under development is composed of a land; where Loft 2 Building is being constructed on, amounted to TL 28,486 and other land located in İncek, amounted to TL 2,481. As at 30 June 2010 shares of Akfen Gayrimenkul Yatırımları are sold thus there is no trading properties under development. Tax-free shop inventory and spare parts belongs to TAV Havalimanları. As at 30 June 2010, 2.574 TL of raw materials are comprised of TAV Yatırım inventories, and 125 TL of raw materials are comprised of Akfen İnşaat inventories.

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12 DUE FROM/DUE TO CUSTOMERS FOR CONTRACT WORK

As at 30 June 2010 and 31 December 2009 details of uncompleted contracts are as follows:

	<u>30 June</u> <u>2010</u>	<u>31 December</u> <u>2009</u>
Total costs incurred on uncompleted contracts	835.669	1.171.596
Estimated earnings/(costs)	50.739	110.573
Total estimated revenue on uncompleted contracts	886.408	1.282.169
Less: Billings to date	(818.550)	(1.185.313)
Net amounts due from (due to) customers for contract work	<u>67.858</u>	<u>96.856</u>

The portion of due from/due to contractual works included in consolidated balance sheet is as follows:

	<u>30 June</u> <u>2010</u>	<u>31 December</u> <u>2009</u>
Due from customers for contract work (Note 9)	70.601	96.856
Due to customers for contract work (Note 9)	(2.743)	--
	<u>67.858</u>	<u>96.856</u>

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13 INVESTMENT PROPERTY

Movements of investment property during the periods ended 30 June 2010 and 31 December 2009 are as follows:

	<u>2010</u>	<u>2009</u>
Net book value, opening	531,647	469,343
Effect of change in group structure	(15,743)	--
Additions	22,481	18,233
Disposals	(30,794)	--
Increase in value	16,377	--
Net book value, closing	<u>523,968</u>	<u>487,576</u>

Increase in fair value

As at 30 June 2010 increase in fair value of investment properties owned by Akfen GYO comprised of NOVOTEL/İBİS Kayseri Hotel's valuation amount TL 4.329, Mercure Hotel's valuation amount TL 22.011, NOVOTEL Trabzon Hotel valuation amount TL 1.143, NOVOTEL/İBİS Gaziantep Hotel valuation amount TL 946, NOVOTEL/İBİS Zeytinburnu Hotel valuation amount TL 500 and Akfen İnşaat properties valuation amount TL 378. As at 30 June 2010 increase in value of investment properties in progress comprised of İBİS Bursa Hotel valuation amount TL 5.973 and İBİS Esenyurt Hotel valuation amount TL 1.073 and shown in other operating income in summary consolidated income statement at 30 June 2010

Additions

Major additions occurred in six month interim period ended with 30 June 2010 comprised of Akfen GYO, RHI and RPI additions. Major additions occurred in six month interim period ended with 30 June 2009 comprised of Akfen GYO and Akfen İnşaat.

Disposals

Akfen İnşaat has disposed various land and buildings through sale in six month interim period ended with 30 June 2010.

Mortgage and pledge

As at 30 June 2010 no pledge on investment properties. (31 December 2009: TL 467.404) As at 30 June 2010 investment properties owned by Akfen GYO and Akfen İnşaat encumbered with a mortgage amount of TL 413.180. (31 December 2009: TL 505.033)

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14 PROPERTY and EQUIPMENT

Movements of property, plant and equipment and related accumulated depreciation during the periods ended 30 June 2010 and 31 December 2009 are as follows:

	<u>2010</u>	<u>2009</u>
Balance at 1 January		
Cost	384.088	300.778
Accumulated depreciation	(77.922)	(61.389)
Net book value	306.166	239.389
Net book value, opening	306.166	239.389
Effect of change in group structure	(1.748)	734
Additions	147.605	93.494
Transfers to intangibles	(3.495)	--
Translation difference	(6.634)	797
Disposals	(9.334)	(12.090)
Depreciation for the period	(10.558)	(10.769)
Transfers to intangible assets	(173)	(65)
Net book value, closing	421.829	311.490
Balance at 30 June		
Cost	517.924	377.876
Accumulated depreciation	(96.095)	(66.386)
Net book value	421.829	311.490

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15 INTANGIBLE ASSETS

Movements of property, plant and equipment and related accumulated depreciation during the periods ended 30 June 2010 and 31 December 2009 are as follows:

	<u>2010</u>	<u>2009</u>
Balance at 1 January		
Cost	1.137.353	1.323.788
Accumulated amortization	(94.734)	(63.184)
Net book value	1.042.619	1.260.604
Net book value, opening	1.042.619	1.260.604
Effect of change in group structure	(23)	--
Additions	9.212	110.315
Transfers from property and equipment	173	65
Translation differences	(19.919)	4.383
Disposals	--	(21.008)
Amortization for current period	(19.795)	(11.266)
Net book value, closing	1.012.267	1.343.093
Balance at 30 June		
Cost	1.123.565	1.422.813
Accumulated amortization	(111.298)	(79.720)
Net book value	1.012.267	1.343.093

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16 COMMITMENTS and CONTINGENCIES

(a) Letter of guarentees and suretyship

Commitments and contingent liabilities arising in the ordinary course of business for the Group comprised the following items as at 30 June 2010, and 31 December 2009:

	<u>30 June</u> <u>2010</u>	<u>31 December</u> <u>2009</u>
Given by the Company		
A.Given by Company itself	939.222	925.573
B.Given by subsidiaries	882.232	1.438.454
C.Given by third parties to continue regular operations.	--	--
D.Others	371.191	205.751
i. Given in favor of main shareholder	287.293	204.319
ii. Given for other Group companies not included in B and C	83.898	--
iii. Given in favor of third parties not included in C	--	1.432
	<u>2.192.645</u>	<u>2.569.778</u>

Total commitment and contingencies over the Group's equity as at 30 June 2010 is 383 %(31 December 2009: 486 %)

(b) Collaterals taken

As at 30 June 2010 Akfen Holding and subsidiaries has taken letter of guarantees, notes as guarantee from the subcontractors amounting to TL 176.110 (31 December 2009; TL 152.585) As at 30 June 2010 notes taken for the construction companies of Akfen Holding and its subsidiaries are amounting to TL 39.770 (31 December 2009: TL 32.504), and for the hydroelectric companies amounting to TL 27.463 (31 December 2009: TL 30.519) .As at 30 June 2010 letter of guarantees taken by joint ventures are amounting to TL 29.086 (Group's share: TL 14.543)' (31 December 2009; TL 19.704 (Group's share: TL 9.852).

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17 OTHER ASSETS and LIABILITIES

Other current assets

As at 30 June 2010 and 31 December 2009 other current assets comprised the following:

	<u>30 June 2010</u>	<u>31 December 2009</u>
Prepaid concession expense	61.570	66.173
VAT carried forward	28.487	42.952
Advance given to subcontractors	27.458	29.294
Income accrual	26.106	15.153
Order advances given	22.232	15.570
Prepaid expenses	9.628	12.078
Withholding taxes over progress billings	1.654	863
Prepaid taxes and funds	473	2.884
Other	1.654	863
	<u>186.886</u>	<u>190.866</u>

Other non-current assets

As at 30 June 2010 and 31 December 2009 other non-current assets comprised the following:

	<u>30 June 2010</u>	<u>31 December 2009</u>
Carried forward VAT	72.067	59.738
Prepaid concession expense	71.553	60.609
Advances given	12.625	24.450
Withholding taxes over progress billings	8.628	5.210
Prepaid expenses	2.735	2.049
Advances given to subcontractors	1.812	4.968
Income accruals	--	1.422
Other	1.289	3.599
	<u>170.709</u>	<u>162.045</u>

As at 30 June 2010 prepaid concession expense of Tav Havalimanı is TL 71.533.(31 December 2009: TL 60.609).

As at 30 June 2010, VAT carried forward is mainly related to the VAT incurred from capital expenditures amounted to TL 39.975 (31 December 2009: TL 27.289). Since these plants are under construction for hydroelectric plant projects, the Group does not have adequate VAT payable in order to net-off these VAT receivables. As at 30 June 2010 Akfen GYO has VAT amounting to TL 27.088 (31 December 2009: TL 25.953) . The income of real estate investment trusts is exempt from Corporate Income Tax according to New Corporate Tax Law. However, Akfen GYO is subject to pay 18% VAT for the purchase of construction materials

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17 OTHER ASSETS and LIABILITIES (continued)

Other current liabilities

As at 30 June 2010 TL 39.424 of other current liabilities is composed of expense accruals. TL 22.023 of these accruals belongs to Tav Yatırım, 2.575 TL belongs to Tav Holding, and TL 14.576 belongs to Akfen İnşaat's payables to subcontractors of HEPP Projects and Bursa Hotel Project.

As at 31 December 2009 significant portion of other current liabilities is comprised of expense accruals. TL 14.152 belongs to Tav and TL 5.734 belongs to Akfen İnşaat's payables to subcontractors for HES, LOFT 2 and Bursa OTEL projects and TL 3.290 is composed of MIP's provision for bonus and invoices not charged yet.

18 EQUITY

As at 30 June 2010 and 31 December 2009, the shareholding structure of the Company based on the number of shares is presented below:

	30 June 2010		31 December 2009	
	Shares	% of ownership	Shares	% of ownership
Hamdi Akın	99.208	88,27	94.363	94,68
Akfen İnşaat	3.995	3,55	4.125	4,14
Akınısı Makine	529	0,47	529	0,53
Akfen Turizm	529	0,47	529	0,53
Şafak Akın	41	0,04	41	0,04
Meral Köken	41	0,04	41	0,04
Nihal Karadayı	41	0,04	41	0,04
Publicly traded shares	8.000	7,12	--	--
Paid in capital (nominal)	112.384	100	99.669	100

As at 31 December 2009, 2008 and 2007 there is no pledge on Akfen Holding's share.

As at 30 June 2010 the number of shares is 112.383.890 with a par value of TL 1 each (31 December 2009: 104.513.890). As at 31 December 2009 TL 4.845 of unpaid portion of capital amounting to TL 104.514 has been paid on 10 March 2010 by shareholders.

In 14 May 2010 public offering was performed with TL 8000 nominal shares which are composed of TL 7.870 nominal shares exported due to the Company's issued capital increase from TL 104.514 to TL 112.384 and TL 130 nominal values shares owned by Akfen İnşaat Turizm ve Ticaret A.Ş.

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18 EQUITY (continued)

Translation reserve

As at 30 June 2010 the translation reserve amounting TL 8.877 (31 December 2009: 25.004 TL) comprise of foreign exchange difference arising from the translation of the financial statements of MIP, TAV Yatırım, RHI, RPI, Hyper Foreign and TAV Havalimanları from their functional currency of USD and Euro to the presentation currency TL which is recognized in other comprehensive income under equity

Hedging reserve

The hedging reserve comprise the effective portion of the cumulative net change in the fair value of cash flow hedging instrument related to hedged transaction that have not yet occurred. As at 30 June 2010 the hedging reserve amounting, 69.241 TL is recognized in equity which is related to the interest rate swap contracts made in 2010 by MIP and TAV Havalimanları (31 December 2009: 60.677 TL MIP and TAV Havalimanları “swap” agreements)

Revaluation surplus

The customer relationship and DHMI licence were remeasured to their fair values by TAV Havalimanları in 2007. The change in fair value is reflected as revaluation surplus in the consolidated financial statements of TAV Havalimanları.

The accompanying consolidated financial statements include the Group’s share of the revaluation surplus as at 30 June 2010 and 2009.

Treasury shares

When share capital recognised as equity is repurchased, the amount of the consideration paid, which includes directly attributable costs, is net off any tax effects, and is recognised as a deduction from equity. Repurchased shares are classified as treasury shares and are presented as a deduction from total equity. When treasury shares are sold or reissued subsequently, the amount received is recognised as an increase in equity, and resulting surplus or deficit on the transaction is transferred to/from retained earnings.

Business combination of entities under common control

Shares purchased from the entities under common control are accounted on carrying amount. Shares of Hamdi Akın in Akfen Enerji composing 20 % of total shares of Akfen Enerji were purchased by the Company as at 6 April 2010 for Euro 36.000.000 and the transfer has been processed. The surplus of net asset value over the purchase price has been recorded under equity in the “transactions with entities under common control line”.

Hisse senedi ihraç primleri

The surplus of the sales price over the nominal value of the shares during the initial public offering of the shares composing 7,118 % of total shares at 14 May 2010 were accounted as share premium. Commission expenses, advertising expenses and consultancy expenses which are related with initial public offering amounting to TL 7.942 were associated with retained earnings in accordance with the communique and related CMB announcements.

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18 EQUITY (continued)

Restricted reserves

Retained earnings as per statutory financial statements, other than legal reserve requirements, are available for distribution subject to legal reserve requirement referred to below:

The legal reserve 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 5% per annum, until the total reserve reaches 20% of the Company's paid-in share capital. The second legal reserve is appropriated at the rate of 10% per annum of all cash distributions in excess of 5% of the paid-in share capital. Under the TCC, the legal reserves can only be used to offset losses and are not available for any other usage unless they exceed 50% of paid-in share capital.

Other reserves

Other reserve comprises all gain or loss realized on sale of non-controlling interest in a subsidiary.

On 5 March 2010, an agreement regarding the sale of 18% of shares of TAV Tunisia to Pan African Infrastructure Development Fund ("PAIDF") was signed by the parties. Fore-mentioned shares have been transferred to PAIDF in June 2010 and PAIDF has gained the control of these shares afterwards. As a result, as at 30 June 2010, TAV Holding's share in TAV Tunisia has decreased to 67% and the effect of this transaction amounting to TL 39.208 (Group's share: TL 10.241) is recognised as an equity transaction as other reserves in the consolidated interim financial statements.

As at 18 March 2010 with the shares of 65 % TAV Havalimanları, 28,3333 % HSBC Investment Bank Holdings Plc and 6,6667 % İş Girişim Sermayesi Yatırım Ortaklığı A.Ş. Havaş Yatırım Holding has been incorporated. With the capital payments of Tav Havalimanları Euro 78 million, HSBC Investment Bank Holdings Plc Euro 34 million and İş Girişim Sermayesi Yatırım Ortaklığı AS Euro 8 million capital of Havas Yatırım Holding has reached to Euro 120 million. Havaş Yatırım Holding, has purchased all shares of Havaş for EURO 180 million. As at 30 June 2010, as a result of these operations shares of Tav Havalimanları in Havaş Yatırım Holding has decreased to 65% and Havaş Yatırım Holding has been fully consolidated and non-controlling interest has been computed the effects of these transactions has been presented in the statements of changes in equity as other reserves.

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19 OTHER OPERATING INCOME

For the periods ended 30 June 2010 and 2009 other operating income comprised the following:

	1 January- 30 June 2010	1 April- 30 June 2010	1 January- 30 June 2009	1 April- 30 June 2009
Increase in value of investment property	16.377	16.377	--	--
Profit on sale of investment(*)	8.877	--	--	--
Insurance income(**)	4.161	4.161	--	--
Advertisement income	3.147	1.643	2.212	1.122
Rent income	2.193	997	2.309	1.623
Profit on sale of tangible asset	861	241	484	395
Profit on sale of trading properties	519	--	8.706	--
Compensation income	--	--	1.611	--
Other	5.105	3.570	3.671	775
	41.240	26.989	18.993	3.915

(*)As at 30 June 2010, gain on sale of investment is comprised of sale of Akfen Gayrimenkul Yatırımları shares.

(**)As at and for the six-month period ended 30 June 2010, for the damage occurred on the generators of the Trigenation Project of TAV İstanbul. Insurance income is accrued for the receivables from insurance companies.

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20 FINANCE INCOME

For the periods ended 30 June 2010 and 2009 financial income comprised the following.

	1 January- 30 June 2010	1 April- 30 June 2010	1 January- 30 June 2009	1 April- 30 June 2009
Finance income				
Foreign exchange gain	91.496	54.933	30.909	14.737
Interest income	6.318	3.042	9.172	7.453
Interest income related to IFRIC 12(*)	2.109	1.225	1.113	679
Unearned interest income, net	628	(136)	167	(310)
Other	39	(644)	59	54
	100.590	58.420	41.420	22.613

(*)Discount income includes unwinding of discount on guaranteed passenger fee receivables from DHMI (concession receivables)..

For the periods ended 30 June 2010 and 2009 financial income/(expenses) accounted in other comprehensive income are as follows:

	1 January- 30 June 2010	1 April- 30 June 2010	1 January- 30 June 2009	1 April- 30 June 2009
Foreign currency translation differences	(17.615)	(5.045)	2.697	(14.833)
Hedging reserve	(13.635)	(5.917)	16.943	14.078
	(31.250)	(10.962)	(19.640)	755

21 FINANCE EXPENSE

For the periods ended 30 June 2010 and 2009 finance expense is comprised of the following:

	1 January- 30 June 2010	1 April- 30 June 2010	1 January- 30 June 2009	1 April- 30 June 2009
Finance expense				
Financial expenses	80.615	42.898	95.681	37.500
Foreign exchange loss	69.164	43.764	39.492	(36.286)
Unearned interest expense, net	250	125	1.786	88
Other	2.850	1.360	5.437	4.743
	152.879	88.147	142.396	6.045

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22 ASSET CLASSIFIED AS HELD FOR SALE and DISCONTINUED OPERATIONS

Profit from discontinued operations, net of tax

The Group, has sold its shares in %99,87 owned Akfen Danışmanlık to Hamdi Akın, Selim Akın and Pelin Akın; on March 10, %100 owned Akfen Turizm and Akınısı on March 18, %42.50 owned Artı Döviz on April 5 and %37 owned IBS shares to Akfen Altyapı Danışmanlık. Assets and liabilities of Artı Döviz and IBS are classified as asset held for sale as at 30 June 2010.

For the periods ended 30 June 2010 and 2009 profit for the period of Akfen Altyapı Danışmanlık, Akınısı, Akfen Turizm, Artı Döviz IBS is classified as “profit from discontinued operations, net of tax” for the consolidated financial statements.

	1 January- 30 June 2010	1 April- 30 June 2010	1 January- 30 June 2009	1 April- 30 June 2009
Revenue	14.292	--	41.270	27.997
Cost of sales	(9.387)	--	(26.384)	(18.217)
Other income	83	--	194	133
Other expenses	(23)	--	(165)	5
General administrative expenses	(2.481)	65	(4.293)	(2.100)
Finance income	828	--	4.427	2.225
Finance expense	(651)	--	(6.251)	(4.923)
Tax income/expense	(491)	(16)	(662)	81
Non controlling share	--	--	(2.003)	(2.003)
Profit/(Loss) for the period	2.170	49	6.133	3.198
Gain of sale of investments (Turizm, Akınısı ve Altyapı Danışmanlık)	15.056	(2.296)	--	--
	17.226	(2.247)	6.133	3.198

23 TAXATION

Corporate tax:

In Turkey, corporate income tax is levied at the rate of 20% on the statutory corporate income tax base, which is determined by modifying accounting income for certain exclusions and allowances for tax purposes.

There is also a withholding tax on the dividends paid and is accrued only at the time of such payments. The withholding tax rate on the dividend payments other than the ones paid to the non-resident institutions generating income in Turkey through their operations or permanent representatives and the resident institutions is 15 percent. In applying the withholding tax rates on dividend payments to the non-resident institutions and the individuals, the withholding tax rates covered in the related Double Tax Treaty Agreements are taken into account. Appropriation of retained earnings to capital is not considered as profit distribution and therefore is not subject to withholding tax.

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23 TAXATION*(continued)*

The transfer pricing provisions have been stated under the Article 13 of Corporate Tax Law with the heading of “disguised profit distribution via transfer pricing”. The General Communiqué on disguised profit distribution via transfer pricing dated 18 November 2007 sets details about implementation. If a tax payer enters into transactions regarding sale or purchase of goods and services with related parties, where the prices are not set in accordance with arm’s length basis, then related profits are considered to be distributed in a disguised manner through transfer pricing. Such disguised profit distributions through transfer pricing are not accepted as a tax deductible for corporate income tax purposes.

In Turkey, the tax legislation does not permit a parent company and its subsidiaries to file a consolidated tax return. Therefore, provision for taxes shown in the consolidated financial statements reflects the total amount of taxes calculated on each entity that are included in the consolidation.

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

In Turkey, there is no procedure for a final and definitive agreement on tax assessments. Companies file their tax returns within four months following the close of the accounting year to which they relate. Tax returns are open for five years from the beginning of the year that follows the date of filing during which time the tax authorities have the right to audit tax returns, and the related accounting records on which they are based, and may issue re-assessments based on their findings.

According to Article 5/1(d) (4) of the New Corporate Tax Law 5220, the income of Real Estate Investment Trusts (“REIT”) is exempt from Corporate Income Tax in Turkey. This exemption is also applicable to Quarterly Advance Corporate Tax. However, the Tax Inspectors' Board challenges this exemption for the Real Estate Investment Trusts (“REIT”) which are not publicly traded and imposes tax penalties to these REITs. On the other hand, the Capital Markets Board is of the opinion that REIT status is obtained by companies instantaneously founded or transformed to the REIT after the Board's approval of the amendments in the Articles of Association in case of transformation, and approval of establishment in case of immediate establishment. Therefore, the management and the legal advisors of the Group do not expect to be exposed to any tax exposure related with this penalty and expects the Tax Authorities to settle the tax assessments in due course.

In Northern Cyprus, corporate income tax is levied at the rate of 23.5%, which is determined by modifying accounting income for certain exclusions and allowances for tax purposes for the related year. Thus, the operations of the branch of Akfen Ticaret, Akfen Turizm and Akfen İnşaat are subject to this tax rate.

Georgian corporate income tax is levied at a rate of 15% on income less deductible expenses.

Tunisian corporate income tax is levied at a rate of 30% on income less deductible expenses. According to concession agreement, TAV Tunisia is exempt from corporate tax for a period of 5 years starting from the concession agreement date.

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23 TAXATION*(continued)*

Investment allowance:

The Temporary Article 69 added to the Income Tax Law no.193 with the Law no.5479, which became effective starting from 1 January 2006, upon being promulgated in the Official Gazette no.26133 dated 8 April 2006, stating that taxpayers can deduct the amount of the investment allowance exemption which they are entitled to according to legislative provisions effective at 31 December 2005 (including rulings on the tax rate) only from the taxable income of 2006, 2007 and 2008. Accordingly, the investment incentive allowance practice was ended as of 1 January 2006. At this perspective, an investment allowance which cannot be deducted partially or fully in three years time was not allowed to be carried forward to the following years and became unavailable as of 31 December 2008. On the other side, the Article 19 of the Income Tax Law was annulled and the investment allowance practice was ended as of 1 January 2006 with effectiveness of the Article 2 and the Article 15 of the Law no.5479 and the investment allowance rights on the investment expenditures incurred during the period of 1 January 2006 and 8 April 2006 became unavailable

However, at 15 October 2009, the Turkish Constitutional Court decided to cancel the clause no.2 of the Article 15 of the Law no.5479 and the expressions of “2006, 2007, 2008” in the Temporary Article 69 related to investment allowance mentioned above that enables effectiveness of the Law as of 1 January 2006 rather than 8 April 2006, since it is against the Constitution. Accordingly, the time limitations for the carried forward investment allowances that were entitled to in the previous period of mentioned date and the limitations related with the investments expenditures incurred between the issuance date of the Law promulgated and 1 January 2006 were eliminated. According to the decision of Turkish Constitutional Court, cancellation related with the investment allowance became effective with promulgation of the decision on the Official Gazette and the decision of the Turkish Constitutional Court was promulgated in the Official Gazette no.27456 dated 8 January 2010.

According to the decision mentioned above, the investment allowances carried forward to the year 2006 due to the lack of taxable income and the investment allowances earned through the investments started before 1 January 2006 and continued after that date constituting economic and technical integrity will be used not only in 2006, 2007 and 2008, but also in the following years. In addition, 40% of investment expenditures that are realized between 1 January 2006 and 8 April 2006, within the context of the Article 19 of the Income Tax Law will have the right for investment allowance exemption

The taxation charge for the years ended 30 June comprised the following items:

	1 January- 30 June 2010	1 April- 30 June 2010	1 January- 30 June 2009	1 April- 30 June 2009
Current corporation and income tax expense	(13.176)	(7.424)	(17.395)	(14.807)
Deferred tax benefits	2.779	(236)	366	2.029
Total tax expense	(10.397)	(7.660)	(17.029)	(12.778)

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23 TAXATION*(continued)*

	1 January- 30 June 2010	1 April- 30 June 2010	1 January- 30 June 2009	1 April- 30 June 2009
Continued operations-income tax benefit /(expense)	(9.906)	(7.644)	(16.367)	(12.859)
Discontinued operations-income tax benefit/(expense) (Note 22)	(491)	(16)	(662)	81
Total tax expense	(10.397)	(7.660)	(17.029)	(12.778)

23.1 Deferred tax assets and liabilities

Deferred tax is provided, using the balance sheet method, on all taxable temporary differences arising between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes, except for the differences relating to goodwill not deductible for tax purposes and the initial recognition of assets and liabilities which affect neither accounting nor taxable profit.

Recognized deferred tax asset and liabilities

Deferred tax assets and deferred tax liabilities as at 30 June 2010 and 31 December 2009 are attributable to the items detailed in the table below:

	<i>Assets</i>		<i>Liabilities</i>		<i>Net</i>	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
Trade and other receivables	2.881	1.452	(206)	(379)	2.675	1.073
Airport operation rights	--	1.580	--	(6.044)	--	(4.464)
Tangible and intangible assets	9.741	6.571	(29.007)	(5.950)	(19.266)	(17.317)
Effect of UMS 11	10.122	9.322	(867)	--	9.255	9.322
Effect of UFRYK 12	--	--	(446)	(452)	(446)	(452)
Derivatives	18.419	14.521	(570)	--	17.849	14.521
Prepaid concession fee	69	--	--	(4.384)	69	(4.384)
Other investments	--	--	(169)	(1.727)	(169)	(1.727)
Investment incentive	--	4.719	(18.286)	--	(18.286)	(12.630)
Investment property	1.992	1.063	(736)	(33.953)	1.256	(209)
Tax loss carry-forward	1.304	1.994	(2.312)	--	(1.008)	1.617
Trade and other liabilities	8.358	982	(2.624)	(1.272)	5.734	157
Financial liabilities	95.952	92.639	(55.223)	(377)	40.729	35.942
Other temporary differences	(35.009)	(37.663)	35.009	(825)	--	--
Sub-total	60.943	54.976	(20.214)	(73.301)	40.729	35.942
Net-off tax	2.881	1.452	(206)	54.267	2.675	1.073
Total deferred tax assets/(liabilities)	--	1.580	--	(19.034)	--	(4.464)

According to the Tax Procedural Law, statutory losses can be carried forward maximum for five years. Consequently, 2015 is the latest year for recovering the deferred tax assets arising from carried forward tax losses. The Group management forecasted to generate taxable income during 2010 and the years thereafter and based on this forecast, it has been assessed as probable that the deferred tax assets resulting from carried forward tax losses in the amount of TL 14.420 (31 December 2009: 21.318 TL) will be realisable; hence, such realisable deferred tax assets are recognised in the consolidated financial statements.

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23 TAXATION *(continued)*

23.2 Deferred tax assets and liabilities *(continued)*

Unrecognized deferred tax assets and liabilities

At the balance sheet date, the Group has statutory tax losses of TL 207.319 (31 December 2009: TL 125.600) available for offset against future profits. Deferred tax asset amounting TL 41.464 (31 December 2009: TL 25.120) has not been recognized in respect of the statutory tax losses carried forward. Such losses carried forward expire until 2015. Deferred tax assets have not been recognized in respect of these items because it is not probable that future taxable profit will be available against which the Group can utilize the benefits there from. Tax losses will expire as follows:

	<u>30 June 2010</u>	<u>31 December 2009</u>
Expire in 2010	13.292	13.292
Expire in 2011	16.997	16.997
Expire in 2012	11.443	11.443
Expire in 2013	168.878	168.878
Expire in 2014	21.580	21.580
Expire in 2015	47.229	--
	<hr/> 279.419	<hr/> 232.190
Used amounts	(72.100)	(106.590)
Unused tax losses	<hr/> <u>207.319</u>	<hr/> <u>125.600</u>

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority.

24 EARNING PER SHARE

For the periods ended 30 June 2010 and 2009 amounts of earning per share as TL 4.593 (2009: TL (23.132)), respectively is calculated by dividing the consolidated statement of comprehensive income/(loss) on attributable to main shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

	1 January- 30 June 2010	1 April- 30 June 2010	1 January- 30 June 2009	1 April- 30 June 2009
Income/(loss) on attributable to main shareholders of the Company	4.593	(19.321)	(23.132)	42.928
the weighted average number of shares outstanding during the period	106.736.112	108.958.334	62.719.890	62.719.890
Profit/(loss) per share from operations (full TL)	0,043	(0,177)	(0,369)	0,684

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25 RELATED PARTY DISCLOSURES

For the purpose of the consolidated financial statements, the shareholders, key management personnel and the Board members, and in each case, together with their families and companies controlled by/affiliated with them; and associates, investments and joint ventures are considered and referred to as the related parties. A number of transactions are entered into with the related parties in the normal course of business. Most of the related party activity is eliminated at consolidation and the remaining activity is not material to the Group. These transactions were carried out on an arm's-length basis during the normal course of business.

25.1 Related party balances

As at 30 June 2010 and 31 December 2009 due from and due to related party balances are as follows:

	30 June 2010			31 December 2009		
	Joint ventures	Other	Total	Joint ventures	Other	Total
Current						
Trade receivables	1.721	13.591	15.312	6.646	17.158	23.804
Non-trade receivables	148	10.489	10.637	585	4.710	5.295
Trade payables	1.602	11.413	13.015	1.621	23.029	24.650
Non-trade payables	7.937	17.170	25.107	3.430	9.713	13.143
Non-current						
Trade receivables	33	996	1.029	1.158	2.593	3.751
Non-trade receivables	3.614	5.738	9.352	1.878	--	1.878
Trade payables	--	274	274	3.908	1.981	5.889
Non-trade payables	4.842	5.428	10.270	5.413	5.420	10.833

The subsidiaries and joint ventures that is not included in this note are eliminated for consolidation purposes.

25.2 Related party transactions

Related party transactions	30 June 2010			30 June 2009		
	Joint ventures	Other	Total	Joint ventures	Other	Total
Sales to related parties	17.017	982	17.999	14.174	1.579	15.753
Purchases from related parties	969	2,723	3.692	3.513	3.103	6.616
Net finance income/(expense)	18	(208)	(190)	(114)	(88)	(202)
Construction services rendered	7.265	1,550	8.815	58.151	2.723	60.874
Construction services charged	--	--	--	25.759	--	25.759

25.3 Key management personnel compensation

As at 30 June 2010 total salaries provided to key management personnel for the Group and subsidiaries amounted to TL 4.772 (30 June 2009: TL 2.003). Total salaries provided to key management personnel for the joint ventures amounted to TL 11.916 (Group's share: TL 3.604), (30 June 2009: TL 9.256 (Group's share: TL 2.778)).

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26 FINANCIAL INSTRUMENTS

Foreign currency risk

Exposure to currency risk

As at 30 June 2010, the Group's exposure to foreign currency risk was as follows in TL equivalent of their original currencies:

	30 June 2010			
	TL			
	Equivalent	USD	Euro	Diğer (*)
1. Trade receivables	42.544	5.554	12.624	9.538
2a. Monetary financial assets(including cash and cash equivalents)	264.594	126.325	27.537	12.752
2b. Non-monetary financial assets	2.423	40	109	2.151
3. Other	14.875	71	4.206	6.681
4. Current assets (1+2+3)	324.436	131.990	44.476	31.122
5. Trade receivables	1.053	669	--	--
6a. Monetary financial assets	4.787	3.040	--	--
6b. Non-monetary financial assets	67	7	24	10
7. Other	21.787	--	11.337	--
8. Non-current assets (5+6+7)	27.694	3.716	11.361	10
9. Total assets (4+8)	352.130	135.706	55.837	31.132
10. Trade payables	34.787	6.419	8.278	8.773
11. Financial liabilities	230.750	111.051	28.224	1.639
12a. Other monetary liabilities	4.846	849	65	3.385
12b. Other non-monetary liabilities	57	36	--	--
13. Current liabilities (10+11+12)	270.440	118.355	36.567	13.797
14. Trade payables	2.991	508	1.140	--
15. Financial liabilities	459.179	185.352	87.061	--
16a. Other monetary liabilities	--	--	--	--
16b. Other non-monetary liabilities	--	--	--	--
17. Non-current liabilities (14+15+16)	462.170	185.860	88.201	--
18. Total liabilities (13+17)	732.610	304.215	124.768	13.797
19. Off balance sheet derivative instruments net asset /(liability) position (19a-19b)	--	--	--	--
19a. Hedged assets	--	--	--	--
19b. Hedged liabilities	--	--	--	--
20. Net foreign currency asset/(liability) position (9-18+19)	(380.480)	(168.509)	(68.931)	17.335
21. Monetary items net foreign Exchange asset/ (liability) position (UFRS 7.B23) (=1+2a+5+6a-10-11-12a-14-15-16a)	(419.575)	(168.591)	(84.607)	8.493
22. Fair value of financial instruments used for foreign currency hedges	--	--	--	--
23. Export	--	--	--	--
24. Import	--	--	--	--

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26 FINANCIAL INSTRUMENTS (continued)

Foreign currency risk (continued)

Exposure to currency risk

As at 31 December 2009, the Group's exposure to foreign currency risk was as follows in TL equivalent of their original currencies:

	31 December 2009			
	TL Equivalent	USD	Euro	Other (*)
1. Trade receivables	84.325	3.555	10.249	56.832
2a. Monetary financial assets (including cash and cash equivalents)	245.445	121.434	19.148	21.236
2b. Non-monetary financial assets	10.322	21	3.571	2.574
3. Other	22.768	226	2.431	17.176
4. Current assets (1+2+3)	362.860	125.236	35.399	97.818
5. Trade receivables	2.856	1.897	--	--
6a. Monetary financial assets	--	--	--	--
6b. Non-monetary financial assets	9.509	7	4.225	370
7. Other	82	--	--	82
8. Non-current assets (5+6+7)	12.447	1.904	4.225	452
9. Total assets (4+8)	375.307	127.140	39.624	98.270
10. Trade payables	94.908	3.773	17.987	50.370
11. Financial liabilities	161.418	73.798	23.284	--
12a. Other monetary liabilities	13.354	1.805	2.471	5.298
12b. Other non-monetary liabilities	1.354	88	94	1.017
13. Current liabilities (10+11+12)	271.034	79.464	43.836	56.685
14. Trade payables	4.510	44	2.057	--
15. Financial liabilities	749.995	309.151	131.697	--
16a. Other monetary liabilities	1.099	409	83	305
16b. Other non-monetary liabilities	6.076	--	2.781	69
17. Non-current liabilities (14+15+16)	761.680	309.604	136.618	374
18. Total liabilities (13+17)	1.032.714	389.068	180.454	57.059
19. Off balance sheet derivative instruments net asset/(liability) position (19a-19b)	--	--	--	--
19a. Hedged assets	--	--	--	--
19b. Hedged liabilities	--	--	--	--
20. Net foreign currency asset/(liability) position (9-18+19)	(657.407)	(261.928)	(140.830)	41.211
21. Monetary items net foreign Exchange asset/(liability) position (UFRS 7.B23) (=1+2a+5+6a-10-11-12a-14-15-16a)	(692.658)	(262.094)	(148.182)	22.095
22. Fair value of financial instruments used for foreign currency hedges	--	--	--	--
23. Export	--	--	--	--
24. Import	--	--	--	--

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26 FINANCIAL INSTRUMENTS (continued)

Foreign currency risk (continued)

Sensitivity analysis

The Group's principal currency rate risk relates to changes in the value of the TL relative to the Euro and the USD.

The basis for the sensitivity analysis to measure foreign exchange risk is an aggregate corporate-level currency exposure. The aggregate foreign exchange exposure is composed of all assets and liabilities denominated in foreign currencies, both short-term and long-term purchase contracts. The analysis excludes net foreign currency investments.

Sensitivity analysis of the Group is as follows:

Foreign currency sensitivity analysis table				
30 June 2010				
	Profit / Loss		Equity	
	Revaluation of foreign currency	Devaluation of foreign currency	Revaluation of foreign currency	Devaluation of foreign currency
10 % revaluation / devaluation of TL against USD				
1- USD net asset/liability	(26.548)	26.548	(18.206)	14.896
2- USD hedged portion (-)	--	--	--	--
3- USD Net Effect (1+2)	(26.548)	26.548	(18.206)	14.896
10 % revaluation / devaluation of TL against EURO				
4- Euro net asset/liability	(16.259)	16.259	--	--
5- Euro hedged portion (-)	--	--	--	--
6- Euro Net Effect (4+5)	(16.259)	16.259	--	--
10 % revaluation / devaluation of TL against other currencies				
7- Other foreign currencies net asset/liability	849	(849)	--	--
8- Other currencies hedged portion(-)	--	--	--	--
9- Other Currencies Net Effect (7+8)	849	(849)	--	--
TOTAL (3+6+9)	(41.958)	41.958	(18.206)	14.896

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26 FINANCIAL INSTRUMENTS (continued)

Foreign currency risk (continued)

Sensitivity analysis

Foreign currency sensitivity analysis table				
30 June 2009				
	Profit / Loss		Equity	
	Revaluation of foreign currency	Devaluation of foreign currency	Revaluation of foreign currency	Devaluation of foreign currency
10 % revaluation / devaluation of TL against USD				
1- USD net asset/liability	(39.463)	39.463	14.684	(17.935)
2- USD hedged portion (-)	--	--	--	--
3- USD Net Effect (1+2)	(39.463)	39.463	14.684	(17.935)
10 % revaluation / devaluation of TL against EURO				
4- Euro net asset / liability	(32.012)	32.012	--	--
5- Euro hedged portion (-)	--	--	--	--
6- Euro Net Effect (4+5)	(32.012)	32.012	--	--
10 % revaluation / devaluation of TL against other currencies				
7- Other currencies net asset/liability	2.210	(2.210)	--	--
8- Other currencies hedged portion (-)	--	--	--	--
9- Other Currencies Net Effect (7+8)	2.210	(2.210)	--	--
TOTAL (3+6+9)	(69.265)	69.265	14.684	(17.935)

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27 SUBSEQUENT EVENTS

Akfen Holding and Its Subsidiaries:

An agreement has been made between the Russian Hotel Investments BV which is the owner of all the companies established for both the hotel investments in Russia and the Dutch affiliates of Akfen Ticaret, the subsidiary of Akfen GYO which is the subsidiary of the Company and the International Finance Corporation (IFC) and the European Bank for Reconstruction and Development (EBRD) considering the project financing agreement amounting to Euro 45,2 million and 15 % partnership by IFC and EBRD in Russian Hotel Investments. The negotiations on the related Partnership Agreement (Agreement) has been continuing and the Company has sponsorship in the above mentioned project financing proportional to its share in Russian Hotel Investments with the conditions specified in the Agreement.

Akfen GYO A.Ş., one of the affiliates of the Company, has taken a decision by the Board of Directors dated 23.08.2010 and numbered 2010/158 to go public by both offering the existing shares and issuing new shares for a capital raise. Therefore, Akfen GYO made applications both for the registration of shares to Capital Markets Board of Turkey and for their listings to Istanbul Stock Exchange (ISE) on August 25, 2010.

The Affiliate will make the public offerings of shares immediately after the registration of shares by CMB in the application mentioned above. The public offering will be processed as follows: 27.000.000 Group B shares in bearer each with 1 TL face value by entirely limiting the preemptive rights of the existing shareholders corresponding to the amount of increase in capital from 100.000 TL to 127.000 TL. 4.750.000 Group B shares of the Company each with 1 TL face value, 4.762.500 existing Group B shares with a total face value of 4.762,5 TL in case of a sufficient excess demand from public after the completion of the offering.

On the other hand, if the application to CMB dated 18.08.2010 regarding the increase in paid-in capital of Affiliate to 138.000 TL is favorable then the Affiliate will make the public offerings of shares presented below immediately after the registration of shares by CMB rather than the above mentioned offering: 37.000.000 Group B shares in bearer each with 1 TL face value by entirely limiting the preemptive rights of the existing shareholders corresponding to the amount of increase in capital from 138.000 TL to 175.000 TL, 6.750.000 Group B shares of the Company with a total face value of 6.750 TL, 6.562.500 existing Group B shares with a total face value of 6.562,5 TL in case of a sufficient excess demand from public after the completion of the offering.

The Public Offering Process will be run by the consortium leader, Oyak Yatırım Menkul Değerler A.Ş.

Based on the agreement dated 7 November 2007 stating the sale of shares of Akfen GYO hold by Hamdi Akin and the Company's affiliate Akfen İnşaat to THO B.V. and considering the responsibility of THO B.V to increase capital in Akfen GYO, between THO B.V an affiliate of Goldman Sachs and Akfen İnşaat an affiliate of the Company as seller and the Company as guarantor, shares owned by THO B.V composing the 32,466 % of Akfen GYO shares total of 32.466.150 Group D shares at the agreement date, to be purchased by the Company is signed as at 19 July 2010. The handover of shares will be completed after the legal procedures are done.

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27 SUBSEQUENT EVENTS *(continued)*

A Credit Agreement for getting 78.710 Avro was signed at the time of the transfer of mentioned shares simultaneously on 19.07.2010 between Goldman Sachs Lending Partners, LLC and the Company for the financing of the purchase of shares owned by THO B.V in Akfen GYO by the Company and for general purposes. The indemnity of the Credit Agreement is the shares of the Company in Akfen GYO

Joint ventures

TAV Airports Holding's 66.66% subsidiary, BTA Airports Food and Beverage Co. (BTA) has taken over the operations of five food and beverage service points (Kantin, Beerport, Kokpit Cafe, Kokpit Brasserie, Botanik Cafe) at the İstanbul Ataturk Airport Domestic Terminal from USAŞ Uçak Servisi A.Ş. as of 1 July 2010. Following the take-over, BTA's service points increased to 138.

28 OTHER ISSUES

None.