

**NET HOLDİNG ANONİM ŐİRKETİ AND ITS SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2011**

NET HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

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NET HOLDİNG ANONİM ŞİRKETİ

BALANCE SHEETS (TRY)

(XI-29 CONSOLIDATED)

		<i>Reviewed</i>	<i>Audited</i>
	Footnote References	30.06.2011	31.12.2010
ASSETS			
Current Assets		122,821,389	148,879,172
Cash and cash equivalents	6	51,762,459	76,940,891
Marketable securities	7	0	0
Trade receivables			
- Trade receivables from related parties	10	4,575,249	3,722,940
- Other trade receivables	10	9,875,500	11,157,147
Liabilities due from financial activities	12	0	0
Other receivables			
- Due from related parties	11	3,534,345	3,366,552
- Other parties	11	9,988,685	9,836,036
Inventories	13	33,838,337	35,001,606
Biological assets	14	0	0
Other current assets	26	9,246,814	8,854,000
(Sub total)		122,821,389	148,879,172
Tangible assets hold for future sale	34	0	0
Non - current assets		336,918,414	289,128,807
Trade receivables	10	0	202,325
Liabilities due from financial activities	12	0	0
Other receivables	11	502,681	492,168
Financial investments	7	2,304,029	2,304,029
Investments consolidated by equity pick-up method	16	79,067,504	78,544,070
Biological assets	14	0	0
Investment properties	17	56,877,837	36,436,148
Tangible assets	18	152,867,501	147,142,957
Intangible assets	19	152,667	138,594
Goodwill	20	0	0
Deferred tax assets	35	15,845,941	18,147,137
Other non-current assets	26	29,300,254	5,721,379
TOTAL ASSETS		459,739,803	438,007,979
LIABILITIES			
Current liabilities		74,173,819	75,288,532
Financial borrowings	8	45,989,399	41,017,948
Other financial liabilities	9	0	0
Trade payables	10	16,131,408	14,260,587
Other payables			
- Due to related parties	11	4,996,383	14,898,105
- Due to other parties	11	4,406,712	2,495,117
Liabilities due to financial activities	12	0	0
Government Incentives and grants			
Current tax liabilities	35	75,571	76,922
Provision for payables	22	2,445,962	2,485,224
Other Current liabilities	26	128,384	54,629
(Sub total)		74,173,819	75,288,532
Liabilities of non-current assets for sale		0	0
Non-current liabilities		33,738,298	28,201,585
Financial borrowings	8	21,208,457	17,721,280
Other financial liabilities	9	0	0
Trade payables	10	0	0
Other payables	11	2,403,299	451,604
- Due to related parties	11	0	0
Liabilities due to financial activities	12	0	0
Government Incentives and grants	21	0	0
Provisions	22	0	0
Provision for benefits provided to employees	24	1,025,238	969,246
Deferred tax liabilities	35	9,091,744	9,046,648
Other non-current liabilities	26	9,560	12,807
SHAREHOLDERS' EQUITY		351,827,686	334,517,862
Parent company's equity		212,425,820	187,037,927
Paid in capital	27	365,750,000	209,000,000
Inflationary adjustment of shareholder's equity	27	56,808,615	56,808,615
Cancellation of equity shares (-)	27	(224,787,989)	(105,936,361)
Share premium	27	11,161,591	8,209,679
Fair value reserve			
- Fund of equity fair value	27	21,861,432	21,845,291
Currency conversion differences	27	2,908,689	819,349
Legal reserves	27	3,534,522	2,657,831
Retained earnings	27	(25,599,655)	(41,593,084)
Net profit for the period		788,615	35,226,607
Minority interest	27	139,401,866	147,479,935
TOTAL EQUITY		459,739,803	438,007,979

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

NET HOLDİNG ANONİM ŞİRKETİ

**INCOME STATEMENTS (TRY)
(XI-29 CONSOLIDATED)**

Reviewed *Reviewed*

	Dipnot Referans	01.01. - 30.06.2011	01.01. - 30.06.2010
OPERATING ACTIVITIES			
Sales revenue	5-28	44,245,182	37,793,466
Cost of sales (-)	28	(27,075,381)	(25,629,714)
Operating profit / loss		17,169,801	12,163,752
Incomes from interest, wage, premium, commision and other	28	0	0
Expenses from interest, wage, premium, commision and other (-)	28	0	0
Financial profit / loss		0	0
Gross profit / loss		17,169,801	12,163,752
Marketing, sales and distribution expenses (-)	29	(2,566,499)	(2,670,638)
General administrative expenses (-)	29	(26,517,991)	(23,162,417)
Research and development expenses (-)	29	0	0
Other operating income	31	3,852,920	7,986,374
Other operating expenses (-)	31	(4,126,331)	(489,764)
Net operating profit / loss		(12,188,100)	(6,172,693)
Share of profit/loss from investments consolidated by equity pick-up method	16	17,168,012	3,844,481
(Non - operating) financial income	32	6,253,334	8,038,558
(Non - operating) financial expenses (-)	33	(11,013,496)	(7,391,675)
Operating activity profit / loss before taxation		219,750	(1,681,329)
Operating activity tax income / expense		(2,390,116)	2,024,473
- Current tax income / expense	35	(75,571)	(43,027)
- Deferred tax income / expense	35	(2,314,545)	2,067,500
Operating income / (loss)		(2,170,366)	343,144
Discontinued operations	34	0	0
Net income / loss after tax of abolished activities		(2,170,366)	343,144
Net income / loss for the period		(2,170,366)	343,144
Distribution of current income / loss:			
Minority interests	27	(2,958,981)	(589,302)
Parent company's share		788,615	932,446
Earnings per share	36	0.002	0.003

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

NET HOLDING A.Ş.**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (TRY)
(XI-29 CONSOLIDATED)**

	<i>Reviewed</i>	<i>Reviewed</i>
	01.01. - 30.06.2011	01.01 - 30.06.2010
PROFIT/(LOSS) FOR THE PERIOD	(2,170,366)	343,144
OTHER COMPREHENSIVE INCOME		
Change in unrealized gain on available-for-sale investments	0	0
Change in revaluation of fixed assets	0	0
Change in hedge fund	0	0
Change in currency conversion difference	2,090,500	1,678,526
Actuarial loss / income from retirement pay provision	0	0
Income / (loss) from sales investments consolidated by equity pick-up method	1,367,593	730,428
Other comprehensive income share from subsidiaries subject to equity pick up method	16,141	105,263
Tax income / expenses relating other comprehensive income	0	0
OTHER COMPREHENSIVE INCOME (AFTER TAX)	3,474,234	2,514,217
TOTAL COMPREHENSIVE INCOME	1,303,868	2,857,361
Dispersal of Total Comprehensive Income		
Minority interest	(2,621,741)	(809,958)
Parent Company's share	3,925,609	3,667,319

NET HOLDING A.Ş.

**STATEMENTS OF CHANGES IN EQUITY
(XI-29 CONSOLIDATED)**

	Capital	Inflation adjustment of shareholders' equity	Cancellation of equity shares	Premium in excess of par	Revaluation fund	Currency conversion difference	Legal reserves	Retained earnings	Parent company's equity	Minority interest	Total shareholder's equity
Consolidated Statements of Changes in Equity											
Balances, January 1, 2010	338,442,000	91,992,446	(167,487,532)	8,092,077	21,800,048	(161,227)	2,675,912	(129,607,041)	165,746,683	42,876,359	208,623,042
Cancellation of equity shares	-	-	10,584,862	-	-	-	-	-	10,584,862	-	10,584,862
Effect of changing rate on mutual share capital and subsidiaries	-	-	-	-	-	-	-	-	-	-	-
Capital payment of minority	-	-	-	-	-	-	-	-	-	31,678,818	31,678,818
Legal reserves	-	-	-	-	-	-	12,149	109	12,258	(12,258)	-
Retained earnings	-	-	-	-	-	-	-	(3,682,439)	(3,682,439)	2,977,303	(705,136)
Premium in excess of par	-	-	-	168,567	-	-	-	-	168,567	125,824	294,391
Cost in excess of par (tax effect included)	-	-	-	-	-	-	-	(163,728)	(163,728)	(131,738)	(295,466)
Cash flows from the sale of shares in stock market	-	-	-	-	-	-	-	730,428	730,428	(220,656)	509,772
Increase in fair value of subsidiaries	-	-	-	-	105,263	1,679,254	-	-	1,784,517	-	1,784,517
Currency conversion differences	-	-	-	-	-	(728)	-	-	(728)	-	(728)
Net profit / Loss for the period	-	-	-	-	-	-	-	932,446	932,446	(589,302)	343,144
Balances, June 30, 2010	338,442,000	91,992,446	(156,902,670)	8,260,644	21,905,311	1,517,299	2,688,061	(131,790,225)	176,112,866	76,704,350	252,817,216
Balances, January 1, 2011	209,000,000	56,808,615	(105,936,361)	8,209,679	21,845,291	819,349	2,657,831	(6,366,477)	187,037,927	147,479,935	334,517,862
Decreasing capital	156,750,000	-	-	-	-	-	-	-	156,750,000	-	156,750,000
Cancellation of equity shares	-	-	(118,851,628)	-	-	-	-	-	(118,851,628)	-	(118,851,628)
Effect of changing rate on mutual share capital and subsidiaries	-	-	-	-	-	-	-	-	-	-	-
Capital payment of minority	-	-	-	-	-	-	-	-	-	1,013	1,013
Legal reserves	-	-	-	-	-	-	2,292	-	2,292	(2,292)	-
Retained earnings	-	-	-	-	-	-	-	(16,729,247)	(16,729,247)	(4,199,131)	(20,928,378)
Premium in excess of par	-	-	-	2,951,912	-	-	-	-	2,951,912	-	2,951,912
Transfers to legal reserves	-	-	-	-	-	-	-	-	-	868,157	868,157
Dividend paid	-	-	-	-	-	-	874,399	(1,742,556)	(868,157)	-	-
Cost in excess of par (tax effect included)	-	-	-	-	-	-	-	(1,392,103)	(1,392,103)	(2,124,075)	(3,516,178)
Cash flows from the sale of shares in stock market	-	-	-	-	-	-	-	(400,785)	(400,785)	-	(400,785)
Increase in fair value of subsidiaries	-	-	-	-	-	-	-	1,031,513	1,031,513	336,080	1,367,593
Currency conversion differences	-	-	-	-	16,141	-	-	-	16,141	-	16,141
Net profit / Loss for the period	-	-	-	-	-	2,089,340	-	-	2,089,340	1,160	2,090,500
Balances, June 30, 2011	365,750,000	56,808,615	(224,787,989)	11,161,591	21,861,432	2,908,689	3,534,522	(24,811,040)	212,425,820	139,401,866	351,827,686

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

NET HOLDİNG ANONİM ŞİRKETİ

STATEMENTS OF CASH FLOWS

(XI-29 CONSOLIDATED)

		<i>Reviewed</i>	<i>Reviewed</i>
	Footnote References	30.06.2011	30.06.2010
OPERATING INCOME/LOSS BEFORE TAXES		219,750	(1,681,329)
Adjustments to Reconcile Net Income to Net Cash from Operating Activities:			
Amortisation and depreciation expense	17-18-19	6,032,870	5,467,752
Interest accruals of bank borrowings	8	735,970	1,386,820
Provision for severance pay	24	142,988	83,554
Provision for doubtful receivables	10-11-29	507,685	317,597
Provisions for other liabilities	22	0	373,952
Rent income accruals	26	77,316	21,135
Investments subject to equity pick-up method	16	(523,434)	4,078,534
Effect of changing rate on mutual share capital and subsidiaries	27	(118,851,628)	10,584,862
Deferred tax effect of merging		31,747	0
Net cash provided by operating activities before changes in operating assets and liabilities		(111,626,736)	20,632,877
Changes in operating assets and liabilities			
Trade receivables	10	1,030,321	(3,017,187)
Trade receivables from related parties	10	(852,309)	(2,265,724)
Inventories	13	1,163,269	992,056
Other receivables	11	(409,008)	(304,566)
Other receivables from related parties	11	(167,793)	(1,822,639)
Other current assets	26	(392,814)	(4,253,539)
Long term trade receivables	10	202,325	403,553
Long term other receivables	11	(10,513)	(11,916)
Other non-current assets	26	(23,578,875)	(901,077)
Trade payables	10	1,870,821	4,514,373
Other short term liabilities	11	1,911,595	(1,319,899)
Other payables to related parties	11	(9,901,722)	(8,655,972)
Provision for liabilities	22	(39,262)	0
Other short term liabilities	26	(3,561)	(18,530)
Long term trade payables	10	0	549,658
Long term other payables	11	1,951,695	8,666
Long term other liabilities	26	(3,247)	(3,280)
Severance pay	24	(86,996)	0
		(27,316,074)	(16,106,023)
Taxes Paid	35	(76,922)	(10,619)
Net cash provided by operating activities		(139,019,732)	4,516,235
Cash flows from investing activities			
Investment expenditures	17-18-19	(32,445,780)	(8,783,406)
Disposals in tangible fixed assets	17-18-19	232,604	3,516,248
Foreign currency conversion difference	27	2,090,500	(728)
Net cash provided by investing activities		(30,122,676)	(5,267,886)
Cash flows from financing activities			
Short term borrowings	8	4,235,481	(3,273,284)
Long term borrowings	8	3,487,177	(713,379)
Effect of changing rate on mutual share capital and subsidiaries		(20,928,378)	(705,136)
Earnings from the sale of shares in stock market		1,367,593	509,772
Decreasing capital	27	156,750,000	0
Change in capital of minority interests		1,013	31,678,818
Increase in fair value of subsidiaries	27	16,141	1,784,517
Premium in excess of par	27	2,951,912	294,391
Effect of merging	27	(3,516,178)	0
Cost in excess of par		(400,785)	(295,466)
Net cash used by financing activities		143,963,976	29,280,233
Net increase/ (decrease) In cash and cash equivalents		(25,178,432)	28,528,582
Cash and cash equivalents at the beginning of the period	6	76,940,891	10,576,488
Cash and cash equivalents at the end of the period		51,762,459	39,105,070

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