

DOĐAN GAZETECİLİK A.Ő.

**CONVENIENCE TRANSLATION INTO ENGLISH OF
CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD 1 JANUARY - 30 JUNE 2008
TOGETHER WITH INDEPENDENT AUDITOR'S REVIEW REPORT**

(ORIGINALLY ISSUED IN TURKISH)

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

**REPORT ON REVIEW OF
CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

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

Introduction

1. We have reviewed the accompanying consolidated balance sheet of Doğan Gazetecilik A.Ş., its subsidiaries and its joint-venture (the "Group") as of 30 June 2008, and the related consolidated statement of income, changes in equity and cash flows for the six-month period then ended. The Group management is responsible for the preparation and fair presentation of these consolidated interim financial statements in accordance with the financial reporting standards issued by the Capital Markets Board. Our responsibility is to express a conclusion on these consolidated interim financial statements based on our review.

Scope of review

2. We conducted our review in accordance with the principles and standards on the review of interim financial statements as set out in "Section 34 of the Communiqué No: X-22 on the auditing standards issued by the Capital Markets Board". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with independent auditing standards issued by the Capital Markets Board and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an independent audit opinion.

Conclusion

3. Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated interim financial statements are not prepared, in all material respects, in accordance with financial reporting standards issued by the Capital Markets Board (Note 2).

Additional paragraph for convenience translation into English

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

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

**ORIGINALLY SIGNED
IN TURKISH**

Gökhan Yüksel, SMMM
Partner

İstanbul, 21 August 2008

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

DOĞAN GAZETECİLİK A.Ş.

**CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD
FROM 1 JANUARY TO 30 JUNE 2008**

CONTENTS	PAGE
CONSOLIDATED BALANCE SHEETS	1-2
CONSOLIDATED INTERIM STATEMENTS OF INCOME.....	3
CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY.....	4
CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS	5
NOTES TO CONSOLIDATED INTERIM FINANCIAL STATEMENTS	6-51
NOTE 1 ORGANISATION AND NATURE OF OPERATIONS.....	6-7
NOTE 2 BASIS OF PRESENTATION OF FINANCIAL STATEMENTS	7-18
NOTE 3 BUSINESS COMBINATIONS.....	18-19
NOTE 4 JOINT VENTURES.....	20
NOTE 5 CASH AND CASH EQUIVALENTS.....	21
NOTE 6 FINANCIAL ASSETS	21
NOTE 7 BORROWINGS	22
NOTE 8 TRADE RECEIVABLES AND PAYABLES.....	23-24
NOTE 9 OTHER RECEIVABLES AND PAYABLES	24
NOTE 10 INVENTORIES.....	25
NOTE 11 INVESTMENT PROPERTY	25
NOTE 12 PROPERTY, PLANT AND EQUIPMENT.....	26-27
NOTE 13 INTANGIBLE ASSETS	28
NOTE 14 GOODWILL	29
NOTE 15 PROVISIONS, CONTINGENT ASSETS AND LIABILITIES.....	29-30
NOTE 16 COMMITMENTS	31
NOTE 17 PROVISION FOR EMPLOYMENT TERMINATION BENEFITS.....	31-32
NOTE 18 OTHER ASSETS AND LIABILITIES.	32
NOTE 19 EQUITY.....	33-34
NOTE 20 SALES AND COST OF SALES	35
NOTE 21 OPERATING EXPENSES.....	35-36
NOTE 22 EXPENSES BY NATURE.....	36
NOTE 23 OTHER INCOME AND EXPENSES	37
NOTE 24 FINANCIAL INCOME AND EXPENSE	37
NOTE 25 NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS.....	38
NOTE 26 CURRENT AND DEFERRED INCOME TAXES	38-42
NOTE 27 EARNINGS PER SHARE.....	42
NOTE 28 RELATED PARTY DISCLOSURES	42-46
NOTE 29 FINANCIAL RISK MANAGEMENT	46-50
NOTE 30 FINANCIAL INSTRUMENTS.....	51
NOTE 31 SUBSEQUENT EVENT	51

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

DOĞAN GAZETECİLİK A.Ş.

**CONSOLIDATED INTERIM BALANCE SHEETS
AT 30 JUNE 2008 AND 31 DECEMBER 2007**

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

	Note References	30 June 2008	31 December 2007
ASSETS			
Current assets		134.744.509	182.795.871
Cash and cash equivalents	5	24.506.571	106.333.707
Trade receivables			
- Due from related parties	28	8.271.130	7.328.974
- Other trade receivables	8	87.759.024	57.577.792
Other receivables	9	776.813	481.365
Inventories	10	5.005.597	4.014.166
Other current assets	18	7.338.974	7.059.867
Sub-total		133.658.109	182.795.871
Non-current assets held for sale	25	1.086.400	-
Non-current assets		233.190.790	96.772.507
Other receivables	9	113.374	58.930
Financial assets	6	69.585	134.636
Investment property	11	-	646.280
Property, plant and equipment	12	32.895.560	31.947.488
Intangible assets	13	76.818.876	895.383
Goodwill	14	123.293.395	60.428.513
Deferred income tax assets	26	-	2.661.277
TOTAL ASSETS		367.935.299	279.568.378

These consolidated interim financial statements as at 30 June 2008 and for the six-month period then ended have been approved by the Board of Directors on 21 August 2008.

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

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

DOĞAN GAZETECİLİK A.Ş.

**CONSOLIDATED INTERIM BALANCE SHEETS
AT 30 JUNE 2008 AND 31 DECEMBER 2007**

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

	Note References	30 June 2008	31 December 2007
LIABILITIES			
Current liabilities		101.008.584	34.025.781
Borrowings	7	9.812.736	2.354.388
Trade payables			
- Due to related parties	28	56.948.716	15.578.435
- Other trade payables	8	8.882.668	5.484.169
Other payables	9	16.319.719	5.943.832
Current income tax liabilities	26	1.455.322	16.456
Provisions	15	4.181.175	1.834.551
Other current liabilities	18	3.408.248	2.813.950
Non-current liabilities		13.154.764	3.697.931
Borrowings	7	117.710	-
Provision for employment termination benefit	17	5.305.794	3.697.931
Deferred tax liabilities	26	7.731.260	-
EQUITY	19	253.771.951	241.844.666
Equity attributable to equity holders of the company	19	253.521.886	241.616.401
Share capital	19	100.000.000	100.000.000
Adjustment to share capital	19	45.910.057	45.910.057
Share premium	2	82.060.000	82.060.000
Translation reserves	2	-	69.911
Restricted reserves	19	3.837.564	3.837.564
Retained earnings/(accumulated losses)	19	9.738.869	905.769
Profit/(loss) for the period		11.975.396	8.833.100
Minority interests		250.065	228.265
TOTAL LIABILITIES and EQUITY		367.935.299	279.568.378
Commitments and contingent liabilities	15		

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

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

DOĞAN GAZETECİLİK A.Ş.

**CONSOLIDATED INTERIM STATEMENT OF INCOME FOR THE SIX-MONTH
AND SIX-MONTH PERIODS ENDED 30 JUNE 2008 AND 2007**

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

	Note References	1 January- 30 June 2008	1 April- 30 June 2008	1 January- 30 June 2007	1 April- 30 June 2007
CONTINUING OPERATIONS					
Sales	20	170.272.613	102.181.320	141.178.553	76.665.043
Cost of sales (-)	20	(102.578.054)	(59.570.114)	(93.231.999)	(47.258.642)
GROSS PROFIT		67.694.559	42.611.206	47.946.554	29.406.401
Marketing, selling and distribution expenses (-)	21	(54.489.176)	(32.845.088)	(36.872.284)	(19.104.473)
General administrative expenses (-)	21	(13.978.604)	(8.574.871)	(10.660.064)	(5.210.830)
Other income	23	5.702.367	4.941.978	1.356.797	625.134
Other expenses (-)	23	(1.549.541)	(1.153.663)	(889.418)	(523.693)
OPERATING PROFIT/(LOSS)		3.379.605	4.979.562	881.585	5.192.539
Financial income	24	14.713.333	4.772.868	3.793.947	2.410.018
Financial expenses (-)	24	(3.275.268)	(2.115.697)	(1.295.035)	(793.402)
PROFIT BEFORE INCOME TAXES FROM CONTINUING OPERATIONS		14.817.670	7.636.733	3.380.497	6.809.155
Taxation from continuing operations	26	(2.820.474)	(1.344.467)	(933.831)	(949.749)
- Current income tax for the period		(2.754.606)	(1.455.471)	(1.116.450)	(1.099.631)
- Deferred income tax credit/(charge)		(65.868)	111.004	182.619	149.882
PROFIT FOR THE PERIOD		11.997.196	6.292.266	2.446.666	5.859.406
ALLOCATION OF PROFIT FOR THE PERIOD					
Attributable to minority interests		21.800	(21.760)	(20.848)	(9.788)
Attributable to equity holders of the parent		11.975.396	6.314.026	2.467.514	5.869.194
Earning per share for profit attributable to equity holders of the Company (TRY)		12,0	6,3	3,2	7,5

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

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

DOĞAN GAZETECİLİK A.Ş.

**CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY
FOR THE SIX-MONTH PERIODS ENDED 30 JUNE 2008 AND 2007**

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

	Share capital	Adjustment to share capital	Share premium	Translation reserve	Restricted reserves	Retained earnings/ (accumulated losses)	Net profit/ (loss) for the period	Equity attributable to equity holders of the company	Minority interest	Total Equity
Balances at 1 January 2007	78.000.000	45.910.057	-	(86.502)	3.837.564	1.911.961	(1.006.192)	128.566.888	226.472	128.793.360
Transfers	-	-	-	-	-	(1.006.192)	1.006.192	-	-	-
Currency translation differences	-	-	-	118.913	-	-	-	118.913	-	118.913
Net income for the year	-	-	-	-	-	-	2.467.514	2.467.514	(20.848)	2.446.666
Balances at 30 June 2007	78.000.000	45.910.057	-	32.411	3.837.564	905.769	2.467.514	131.153.315	205.624	131.358.939
Balances at 1 January 2008	100.000.000	45.910.057	82.060.000	69.911	3.837.564	905.769	8.833.100	241.616.401	228.265	241.844.666
Transfers	-	-	-	-	-	8.833.100	(8.833.100)	-	-	-
Currency translation differences	-	-	-	(69.911)	-	-	-	(69.911)	-	(69.911)
Net income/loss for the year	-	-	-	-	-	-	11.975.396	11.975.396	21.800	11.997.196
Balances at 30 June 2008	100.000.000	45.910.057	82.060.000	-	3.837.564	9.738.869	11.975.396	253.521.886	250.065	253.771.951

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

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

DOĞAN GAZETECİLİK A.Ş.

**CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
FOR THE SIX-MONTH PERIODS ENDED 30 JUNE 2008 AND 2007**

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

	Notes References	1 January - 30 June 2008	1 January - 30 June 2007
Profit before income taxes from continuing operations		14.817.670	3.380.497
Adjustments :			
Amortization	11,12	1.982.145	1.842.635
Depreciation	13	1.424.870	290.562
Gain on disposal of property, plant and equipment, intangible assets and investment property	23	(1.035.303)	(236.084)
Unearned financial income	8	993.568	1.053.462
Unearned credit finance charged to related and third parties	8,28	(392.490)	(169.216)
Interest expense	24	886.842	223.369
Interest income	24	(3.746.055)	(186.658)
Doubtful receivable provision	8	531.435	544.769
Unused vacation liability	15	328.267	-
Employment termination benefit provision	17	1.167.112	1.362.305
Currency translation differences		(69.911)	120.260
Gain on disposal of subsidiary	23	(3.185.528)	-
Adjustments to reconcile profit before income taxes from continuing operations to net cash from operating activities		13.702.622	8.225.901
Trade receivables		(17.412.294)	(9.879.941)
Receivables from related parties		2.073.608	(6.559.132)
Inventory		519.197	320.393
Other current receivables		(192.416)	44.369
Other current assets		1.388.763	(1.277.796)
Trade payables		(125.735)	4.723.115
Payable to related parties			
Other liabilities		1.577.528	408.104
Provisions		(41.255)	371.801
Other current liabilities		537.996	39.902
Income taxes paid		(1.315.739)	(12.811)
Other non-current receivables		(54.444)	(6.846)
Employment termination benefits paid	17	(738.691)	(1.161.078)
Net cash provided by operating activities		(41.835.279)	(1.802.369)
Investing activities:			
Purchase of property, plant and equipment		(968.990)	(1.056.019)
Purchase of intangible assets		(17.637.754)	(364.790)
Net profit/ (loss) on disposal of property, plant and equipment, intangible assets and investment property		1.899.487	1.079.206
Financial assets		65.051	-
Acquisition of subsidiaries, net paid		(13.067.294)	-
Net cash used in investing activities		(29.709.500)	(341.603)
Financing activities:			
Increase in borrowings, net		(13.109.166)	(484.647)
Interest paid		(868.746)	(155.124)
Interest received		3.695.555	186.658
Net cash provided by financing activities		(10.282.357)	(453.113)
Net increase in cash and cash equivalents		(81.827.136)	(2.597.085)
Cash and cash equivalents at the beginning of the period		106.333.707	3.339.411
Cash and cash equivalents at the end of the period		24.506.571	742.326

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

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

DOĞAN GAZETECİLİK A.Ş.

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2008

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

NOTE 1 - ORGANIZATION AND NATURE OF OPERATIONS

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

The address of the registered office is as follows:

Doğan Gazetecilik A.Ş.
Yüzyıl Mahallesi Doğan Medya Center Bağcılar. İstanbul-Türkiye

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

Since the Company operates mainly in the media sector and the majority of the sales and assets of the Company are local, the financial information has not been reported on a segment basis. The Company is a member of Doğan Şirketler Grubu Holding A.Ş. (“Doğan Holding”) through the investment of Doğan Yayın Holding A.Ş. (“Doğan Yayın”), which has a majority ownership in the Company.

Subsidiaries

The table below sets out all Subsidiaries included in the scope of consolidation at 30 June 2008 and 31 December 2007:

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

- (1) On 13 June 2008, share capital of Milliyet Verlags was increased from Euro616.000 to Euro2.620.000. The Group did not use its right to buy new shares resulting in a decrease its participation rate from 74,03% to 17,34%. Effective from 13 June 2008, Group ceased to consolidate Milliyet Verlags and classified as available for sale (Note 6). The financial asset is recognized with an amount equal to the Group’s share in the net assets of Milliyet Verlags after the share capital increase. Resulting income amounting to TRY3.185.528 is recognized as other operating income (Note 23).

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

DOĞAN GAZETECİLİK A.Ş.

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2008

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

NOTE 1 - ORGANIZATION AND NATURE OF OPERATIONS (Continued)

- (2) On 9 May 2008, share capital of Milliyet İnternet has been increased from TRY50.000 to TRY20.000.000. The Group’s participation rate is increased to 99,8% from 30,5% hence the Group started to consolidate Milliyet İnternet effective from 9 May 2008.

Joint Ventures

The table below sets out the Joint Ventures included in the scope of consolidation at 30 June 2008 and 31 December 2007:

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

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

2.1 Basis of presentation

2.1.1 Financial reporting standarts

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

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

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

DOĞAN GAZETECİLİK A.Ş.

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2008

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

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

Within the scope of CMB’s Communiqué Serial XI, No:29 and its announcements clarifying this communiqué the consolidated financial statements have been prepared in accordance with the CMB’s Financial Reporting Standards which are based on IAS/IFRS, as the differences of IAS/IFRS, adopted by the European, from those published by IASB have not yet been announced by TASB as of the date of these financial statements. Consolidated financial statements and accompanying notes have been presented in accordance with the format, recommended to be implemented by CMB through its announcement dated 14 April 2008, and by including the mandatory information. In this regard necessary changes have been made in the consolidated financial statements of previous periods.

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

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

2.1.2 Financial statements of subsidiaries operating in foreign countries

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

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

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

2.1.3 Consolidation principles

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

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

DOĞAN GAZETECİLİK A.Ş.

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2008

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

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

(a) *Subsidiaries*

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

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

The table below sets out all subsidiaries included in the scope of consolidation and shows their shareholder structure at 30 June 2008 and 31 December 2007:

	Proportion of the voting power held by the Group (%) 30 June 2008	Proportion of the voting power held by the Group (%) 31 December 2007
Kemer Yayıncılık	99,98	-
Bağımsız Gazeteciler	99,99	-
Kemer Yayıncılık Pazarlama	99,96	-
Milliyet Verlags	17,34	74,03
DYG İlan	50,02	50,02
Milha	66,99	66,99
Milliyet İnternet	99,83	30,50

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

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

(c) *Joint Ventures*

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

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

DOĞAN GAZETECİLİK A.Ş.

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2008

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

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

The table below sets out the joint venture included in the scope of consolidation and shows its shareholder structure at 30 June 2008 and 31 December 2007:

	Proportion of joint management 30 June 2008	Proportion of joint management 31 December 2007	Joint Venture Partner
Birey Seçme ve Değerlendirme Danışmanlık Ltd. Şti	50	50	Doğan Portal ve Elektronik Tic. A.Ş.

(d) *Minority Interest*

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

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

2.1.4 Offsetting

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

2.1.5 Comparatives

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

Income from related parties amounting to TRY1.038.800 which were included in “sales” in the consolidated statement of income for the six-month period ended 30 June 2007 have been reclassified to “cost of sales” in the current period. This reclassification has no effect on the profit for the period.

2.1.6 Convenience translation into English of consolidated interim financial statements originally issued in Turkish

The accounting principles described in Note 2.1.1 to the consolidated financial statements (defined as “CMB Financial Reporting Standards”) differ from International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board with respect to the application of inflation accounting for the period between 1 January - 31 December 2005. Accordingly, the accompanying consolidated financial statements are not intended to present the financial position and results of operations in accordance with IFRS.

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

DOĞAN GAZETECİLİK A.Ş.

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2008

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

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

2.2 *Summary of significant accounting policies*

The significant accounting policies used in the preparation of the consolidated financial statements have been summarised below:

Related parties

For the purpose of these consolidated financial statements, shareholders, key management personnel and Board members in each case together with their families and companies controlled by/or affiliated with them, associated companies and other companies within the Doğan Şirketlere Grubu Holding A.Ş. ("Doğan Holding") and Doğan Yayın Holding A.Ş. ("Doğan Yayın") are considered and referred to as related parties (Note 28).

Trade receivables and provision for doubtful receivables

Trade receivables that are created by the Group by way of providing goods or services directly to a debtor are carried at amortised cost. Trade receivables that deferred financial income are netted-off against and that are calculated by discounting amounts that will be collected from trade receivables are recorded at the original invoice value in the subsequent periods using the effective yield method. Short duration receivables with no stated interest rate are measured at original invoice amount unless the effect of imputing interest is significant (Note 8).

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

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

3.3 Credit finance income/charges

Credit finance income/charges represent imputed finance income/charges on credit sales and purchases. Such income/charges calculated by using the effective interest method are recognised as financial income or expenses over the period of credit sale and purchases, and included under financial income and expenses.

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

DOĞAN GAZETECİLİK A.Ş.

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2008

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

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

Financial assets

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

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

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

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

Inventories

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

Investment properties

Buildings and land held to earn rent or for capital appreciation or both rather than for use in the production or supply of goods or services or for administrative purposes or sale in the ordinary course of business are classified as investment property. Investment properties are carried at cost less accumulated depreciation. Investment properties (except land) are amortised on a straight-line basis. Depreciation is calculated over the investment properties' book values. The depreciation periods for investment properties, which approximate the economic useful lives of such assets, are between 25 and 50 years.

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

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

DOĞAN GAZETECİLİK A.Ş.

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2008

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

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

Property, plant, equipment and related depreciation

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

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

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

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

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

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

Goodwill

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

Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed.

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

DOĞAN GAZETECİLİK A.Ş.

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2008

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

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

Intangible assets and amortization

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

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

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

	Years
Trademark	25
Domain names	25
Other intangible assets	10

Assets held for sale

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

Taxes on income

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

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

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

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

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

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

DOĞAN GAZETECİLİK A.Ş.

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2008

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

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

Borrowings

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

Employment termination benefits

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

Provisions

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

Share capital, dividends and share premium

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

Foreign currency transactions and translation

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

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

DOĞAN GAZETECİLİK A.Ş.

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2008

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

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

Revenue recognition

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

Interest income:

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

Rental income:

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

Service income:

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

Barter agreements

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

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

DOĞAN GAZETECİLİK A.Ş.

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2008

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

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

Earnings per share

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

In Turkey, companies can increase their share capital by making a pro-rata distribution of shares (“bonus shares”) to existing shareholders from retained earnings. For the purpose of earnings per share computations, such bonus share issuances are regarded as issued shares. Accordingly the weighted average number of shares used in earnings per share computations is derived by giving retroactive effect to the issuances of the shares without consideration (Note 27).

In case of dividend payment, earning per share is determined on existing number of shares rather than the weighted average numbers of shares.

Cash and cash equivalents

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

Web page development costs

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

Changes and errors in accounting policies and estimates

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

Subsequent events

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

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

Reporting of cash flows

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

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

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

DOĞAN GAZETECİLİK A.Ş.

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2008

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

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

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

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

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

NOTE 3 - BUSINESS COMBINATIONS

The details of the business combinations during the six-month period ended 30 June 2008 are as follows (1 January - 31 December 2007: None):

Group acquired 40.16% shares of Bağımsız Gazeteciler, which owns Vatan Gazetesi brand and its franchise right, for a consideration of USD 7.228.125 and 100% shares representing the capital of Kemer Yayıncılık ve Gazetecilik A.Ş., which has a 59.84% shareholding in the share capital of Bağımsız Gazeteciler, taking into account the fact that almost all of Kemer Yayıncılık ve Gazetecilik A.Ş.'s assets are composed of its participation in Bağımsız Gazeteciler, in consideration of USD 10.771.875. Total cost of acquisition is USD 18.000.000.

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

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

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

If the acquisition transaction had taken place on 1 January 2008, revenue of the Group would have been TRY186.726.306 and net profit of the Group for the period would have been TRY1.489.149.

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

DOĞAN GAZETECİLİK A.Ş.

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2008

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

NOTE 3 - BUSINESS COMBINATIONS (Continued)

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

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

Acquisition of Bağımsız Gazeteciler:

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

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

Details of the cash outflow on acquisition is as follows:

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

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

DOĞAN GAZETECİLİK A.Ş.

**NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE
PERIOD FROM 1 JANUARY TO 30 JUNE 2008**

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

NOTE 4 - JOINT VENTURES

The joint venture and the proportion joint management at 30 June 2008 and 31 December 2007 are as follows:

	Proportion of joint management 30 June 2008	Proportion of joint management 31 December 2007	Joint venture partner
Birey Seçme ve Değerlendirme Danışmanlık Ltd. Şti.	50	50	Doğan Portal ve Elektronik Tic. A.Ş.

The aggregate amounts of current assets, non-current assets, current liabilities, non-current liabilities of the Joint Venture included in the consolidated financial statements as of 30 June 2008 and 31 December 2007 by using the proportionate consolidation method are as follows:

Balance sheets:	30 June 2008	31 December 2007
Current assets	115.487	122.832
Non-current assets	124.050	129.097
Total assets	239.537	251.929
Current liabilities	432.340	423.634
Non-current liabilities	6.147	4.277
Total liabilities	438.487	427.911
Equity	(198.949)	(175.982)
Total liabilities and equity	239.538	251.929

Income and expenses of the Joint Venture for the periods ended 30 June 2008 and 2007 are as follows:

Income Statements	1 January- 30 June 2008	1 April- 30 June 2008	1 January- 30 June 2007	1 April- 30 June 2007
Gross profit	115.011	58.279	81.677	(105.335)
Marketing, selling and distribution expenses (-)	(95.436)	(43.320)	(313.032)	139.742
General administrative expenses (-)	(9.377)	(5.899)	(16.870)	1.087
Other income/(expenses), net	357	357	4.475	4.386
Operating loss	10.555	9.417	(243.750)	39.880
Financial income	3	3	14	-
Financial expenses (-)	(33.900)	(17.010)	(2.771)	20.872
Loss before income taxes	(23.342)	(7.590)	(246.507)	60.752
Current income tax for the period	-	-	-	-
Deferred income tax charge	375	28	1.049	193
Loss for the period	(22.967)	(7.562)	(245.458)	60.945

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

DOĞAN GAZETECİLİK A.Ş.

**NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE
PERIOD FROM 1 JANUARY TO 30 JUNE 2008**

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

NOTE 5 - CASH AND CASH EQUIVALENTS

	30 June 2008	31 December 2007
Cash	80.855	69.144
Banks		
- demand deposits	21.363.350	102.767.966
- time deposits	3.058.330	3.484.200
Other liquid assets	4.036	12.397
	24.506.571	106.333.707

At 30 June 2008, effective interest rate for local currency time deposits is 18,97% (31 December 2007: 18,18%) and effective interest rate for USD denominated time deposits is 3,00% (31 December 2007: 5,60%).

At 30 June 2008, cash and cash equivalents amounting to TRY9.790 (31 December 2007: TRY9.318) are held in blocked bank accounts as guarantees for bank borrowings.

NOTE 6 - FINANCIAL ASSETS

	<u>30 June 2008</u>		<u>31 December 2007</u>	
	TRY	Share capital (%)	TRY	Share capital (%)
Available-for-sale investments				
Doğan Haber	51.590	2,65	51.590	2,65
Milliyet Verlags	17.236	0,17	-	-
Ak Enerji	477	0,01	477	0,01
Doğan Dağıtım	275	0,04	275	0,04
Doğan Dış Ticaret	4	0,01	4	0,01
D&R	3	0,01	3	0,01
Milliyet İnternet (1)	-	-	82.287	30,50
Other (11 subsidiary)	649.737		649.737	
	719.322		784.373	
Provision for impairment	(649.737)		(649.737)	
	69.585		134.636	

- (1) On 9 May 2008, share capital of Milliyet İnternet was increased from TRY50.000 to TRY20.000.000. The Group's participation rate is increased to 99,8% from 30,5% and the Group started to consolidate Milliyet İnternet effective from 9 May 2008.

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

DOĞAN GAZETECİLİK A.Ş.

**NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE
PERIOD FROM 1 JANUARY TO 30 JUNE 2008**

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

NOTE 7 - FINANCIAL LIABILITIES

	Effective interest rate (%)		Orginal balance		TRY	
	30 June 2008	31 December 2007	30 June 2008	31 December 2007	30 June 2008	31 December 2007
Factoring payables:						
- TRY	20	-	-	-	6.968.782	-
Short term bank borrowings						
- TRY	-	-	378.458	-	378.458	-
Short-term portion of long-term bank borrowings:						
- USD	4,67	6,95	2.014.788	2.021.454	2.465.496	2.354.388
Total short-term bank borrowings					9.812.736	2.354.388
Long-term bank borrowings:						
- TRY	22	-	-	-	117.710	-
Total long-term bank borrowings					117.710	-

The exposure of the Group's borrowings to interest rate change and the contractual repricing dates at the balance sheet dates are as follows:

	30 June 2008	31 December 2007
6 months or less	2.465.496	2.354.388
	2.465.496	2.354.388

As of balance sheet date, the interest rate change risk and the repricing date stated in the agreements of borrowings amounting to TRY2.465.496 is less than 6 months. TRY378.458 of total borrowings consists of non-interest bearing loans used for social security payments and TRY117.710 of total borrowings consists of consumer finance credits for vehicle purchase purposes.

The fair value of current and non-current borrowings equals their carrying amount, as the impact of discount is not significant.

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

	30 June 2008	31 December 2007
Year		
2009	12.173	-
2010	28.996	-
2011	76.541	-
	117.710	-

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

DOĞAN GAZETECİLİK A.Ş.

**NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE
PERIOD FROM 1 JANUARY TO 30 JUNE 2008**

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

NOTE 8 - TRADE RECEIVABLES AND PAYABLES

	30 June 2008	31 December 2007
Short-term trade receivables		
Trade receivables	98.644.352	64.816.315
Cheques and notes receivable	2.871.073	955.434
	101.515.425	65.771.749
Less: Unearned financial income	(993.568)	(593.961)
Less: Provision for doubtful receivables	(12.762.833)	(7.599.996)
	87.759.024	57.577.792

In accordance with the factoring contract signed with Doğan Factoring, trade receivable amounting to TRY61.306.173 (31 December 2007: TRY52.165.083) regarding advertisement revenues is followed by Doğan Factoring. Unearned financial income due to trade receivables regarding advertisement revenues followed by Doğan Factoring is TRY993.568 (31 December 2007: TRY593.961). Effective interest rate related with the receivables followed by Doğan Factoring is 19% (2007: 14%).

The movements in the provision for doubtful receivables for the six-month period ended 30 June 2008 and 2007 are as follows:

	30 June 2008	30 June 2007
1 January	7.599.996	6.231.907
Business combinations	4.957.272	-
Additions during the period	531.435	544.769
Collections	(325.870)	(34.260)
30 June	12.762.833	6.742.416

Aging analysis for trade receivables:

As of 30 June 2008, trade receivables amounting to TRY21.072.575 (2007: TRY15.295.419) have not been collected at their due dates. The management has considered no collection risk for the receivables and no provision booked due to guarantees obtained from the customers.

Aging of past due receivables at 30 June 2008 and 31 December 2007 are as follows:

	30 June 2008	31 December 2007
Up to 1 month	10.137.241	9.450.804
1 to 3 month	6.338.702	4.045.202
3 to 6 month	2.428.862	1.309.360
More than 6 months	2.167.770	490.053
	21.072.575	15.295.419

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

DOĞAN GAZETECİLİK A.Ş.

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2008

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

NOTE 8 - TRADE RECEIVABLES AND PAYABLES (Continued)

Receivables which are past due for more than 6 months are mainly related to the advertisement activity.

	30 June 2008	31 December 2007
Short-term trade payables		
Trade payables	8.338.098	5.109.432
Cheques and notes payable	224.729	196.346
Other payables	321.303	178.391
	8.884.130	5.484.169
Less: Unearned financial expense	(1.462)	-
	8.882.668	5.484.169

NOTE 9 - OTHER RECEIVABLES AND PAYABLES

Other current receivables:	30 June 2008	31 December 2007
Receivables from personnel	770.509	481.365
Other	6.305	-
	776.813	481.365

Other non-current receivables:

	30 June 2008	31 December 2007
Deposits and guarantees given	113.374	58.930
	113.374	58.930

Other current liabilities:

	30 June 2008	31 December 2007
Liabilities related to business combination (Note 3)	8.185.790	-
Taxes and funds payable	5.753.393	4.822.348
Payables to personnel	2.364.547	1.107.463
Other	15.989	14.021
	16.319.719	5.943.832

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

DOĞAN GAZETECİLİK A.Ş.

**NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE
PERIOD FROM 1 JANUARY TO 30 JUNE 2008**

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

NOTE 10 - INVENTORIES

	30 June 2008	31 December 2007
Promotion materials	7.617.383	3.589.257
Finished goods and merchandise	1.104.938	643.419
Raw materials and supplies	122.376	95.602
Other	5.000	-
	8.849.697	4.328.278
Less: provision for impairment on inventories	(3.844.100)	(314.112)
	5.005.597	4.014.166

Promotion materials are comprised of materials given together with the newspapers. The increase in the provision for impairment of inventories and promotion materials is mainly related with the acquisition of Bağımsız Gazetecilik (Note 3).

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

	30 June 2008	30 June 2007
1 January	314.112	371.288
Business combinations	3.113.789	-
Increase / decrease during the period	416.199	(57.176)
	3.844.100	314.112

NOTE 11 - INVESTMENT PROPERTY

	1 January 2008	Additions	Disposals	30 June 2008
Cost	1.507.584	-	(1.507.584)	-
Accumulated amortization	(861.304)	-	861.304	-
Net book value	646.280			-
	1 January 2007	Additions	Disposals	30 June 2007
Cost	1.507.584	-	-	1.507.584
Accumulated amortization	(808.024)	(26.640)	-	(834.664)
Net book value	699.560			672.920

Investment property comprised building on rent which is sold on April 2008.

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

DOĞAN GAZETECİLİK A.Ş.

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2008

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

NOTE 12 - PROPERTY, PLANT AND EQUIPMENT

	1 January 2008	Business combinations	Disposal of subsidiary (Note1)	Additions	Disposal	30 June 2008
Land and land improvements	1.488.784	-	-	14.532	-	1.503.316
Buildings	40.116.984	5.000	-	-	(457.436)	39.664.548
Machinery and equipment	22.088.760	-	(88.424)	165.412	(209.615)	21.956.133
Motor vehicles	1.100.447	416.164	-	-	(49.182)	1.467.429
Furniture and fixture	26.048.695	1.038.874	-	788.134	(2.233.664)	25.642.041
Special cost	928.550	733.254	-	911	-	1.662.715
	91.772.220	2.193.292	(88.424)	968.990	(2.949.897)	91.896.182
Accumulated amortization						
Land and land improvements	1.295.439	-	-	11.471	-	1.306.910
Buildings	15.052.430	-	-	540.718	(259.907)	15.333.240
Machinery and equipment	20.392.624	-	(74.262)	195.695	(209.615)	20.304.443
Motor vehicles	497.155	-	-	134.882	(40.323)	591.713
Furniture and fixture	21.715.277	-	-	1.029.216	(2.222.148)	20.522.345
Special cost	871.807	-	-	70.164	-	941.971
	59.824.732	-	(74.262)	1.982.145	(2.731.993)	59.000.622
Net book value	31.947.488					32.895.560

As of 30 June 2008, there are no collateral and mortgage on property, plant and equipment (30 June 2007: None). TRY624.967 (30 June 2007: TRY646.393) of depreciation expense was included in cost of sales and TRY2.782.060 (30 June 2007: TRY1.486.803) was included in operating expenses.

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

DOĞAN GAZETECİLİK A.Ş.

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD FROM
1 JANUARY TO 30 JUNE 2008

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

NOTE 12 - PROPERTY, PLANT AND EQUIPMENT (Continued)

	1 January 2007	Currency translation differences	Additions	Disposals	30 June 2007
Cost					
Land and land improvements	1.471.899	-	15.727	-	1.487.626
Buildings	40.116.475	-	509	-	40.116.984
Machinery and equipment	64.635.381	(4.010)	432.465	(4.655.275)	60.408.561
Motor vehicles	1.107.440	-	-	(92.783)	1.014.657
Furniture and fixture	24.923.612	-	577.473	-	25.501.085
Special cost	879.337	-	29.845	-	909.182
	133.134.144	(4.010)	1.056.019	(4.748.058)	129.438.095
Accumulated amortization					
Land and land improvements	1.264.879	-	18.444	-	1.283.323
Buildings	13.961.916	-	545.255	-	14.507.171
Machinery and equipment	62.153.020	(2.662)	248.888	(3.844.417)	58.554.829
Motor vehicles	473.586	-	76.981	(60.519)	490.048
Furniture and fixture	19.874.180	-	920.170	-	20.794.350
Special cost	855.858	-	6.257	-	862.115
	98.583.439	(2.662)	1.815.995	(3.904.936)	96.491.836
Net book value	34.550.705				32.946.259

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

DOĞAN GAZETECİLİK A.Ş.

**NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE
PERIOD FROM 1 JANUARY TO 30 JUNE 2008**

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

NOTE 13 - INTANGIBLE ASSETS

	1 January 2008	Business combinations	Additions	Disposals	30 June 2008
Cost					
Brand name	-	57.781.640	-	-	57.781.640
Rights	3.209.016	1.703.214	17.403.076(1)	-	22.315.306
Other intangible assets	2.299.023	225.755	234.678	-	2.759.456
	5.508.039	59.710.609	17.637.754	-	82.856.402
Accumulated amortization					
Brand name	-	-	716.940	-	716.940
Rights	2.459.491	-	611.394	-	3.070.885
Other intangible assets	2.153.165	-	96.536	-	2.249.701
	4.612.656	-	1.424.870	-	6.037.526
Net book value	895.383				76.818.876

(1) TRY17.400.000 of the additions are related to the rights of the web site purchased from related parties. Purchase price is based on the report of independent valuer (Note 28).

	1 January 2007	Additions	Disposals	30 June 2007
Cost				
Rights	2.825.423	321.576	-	3.146.999
Other intangible assets	2.191.641	43.214	-	2.234.855
	5.017.064	364.790	-	5.381.854
Birikmiş amortisman				
Haklar	2.408.129	21.409	-	2.429.538
Diğer maddi olmayan varlıklar	1.704.105	269.153	-	1.973.258
	4.112.234	290.562	-	4.402.796
Net book value	904.830			979.058

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

DOĞAN GAZETECİLİK A.Ş.

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2008

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

NOTE 14 - GOODWILL

	2008	2007
1 January	60.428.513	60.428.513
Additions (Note 3) (1)	62.864.882	-
30 June	123.293.395	60.428.513

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

- (1) Group acquired 99,99% shares of Bağımsız Gazeteciler for a consideration of TRY22.206.963. The Group recognised goodwill amounting to TRY62.864.882 for the excess of the consideration paid over the Group's interest in the fair value of the net assets of Bağımsız Gazetecilik.

NOTE 15 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

i. Short term provisions

	30 June 2008	31 December 2007
Provision for lawsuits	3.172.980	1.446.830
Unused vacation provision	977.258	379.735
Other	30.937	7.986
	4.181.175	1.834.551

Movement of the "provision for lawsuits" during the periods are as follows:

	30 June 2008	30 June 2007
1 January	1.446.830	1.778.847
Business combinations	1.766.592	-
Increase/decrease during the period	(9.548)	178.285
Payments	(30.894)	(30.355)
	3.172.980	1.926.777

Movement of the "provision for unused vacation" during the period is as follows:

	30 June 2008
1 January	379.735
Business combinations	269.256
Additions	328.267
	977.258

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

DOĞAN GAZETECİLİK A.Ş.

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2008

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

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

ii. Lawsuits

The nature and monetary values of the litigations against the Group at 30 June 2008 and 31 December 2007 are as follows:

	30 June 2008	31 December 2007
Legal cases	35.691.987	27.125.086
Business lawsuits	1.411.737	1.211.518
Commercial cases	985.243	1.205.595
Administrative cases	816.650	-
Penalty cases	478.673	-
	39.384.290	29.542.199

As of 30 June 2008, a provision for lawsuits amounting to TRY3.172.980 (31 December 2007: TRY1.446.830) has been provided with reference to the opinions of the Group's lawyers and past experiences of management related to similar litigations against the Group.

iii. Purchase of Bağımsız Gazetecilik

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

Taking into account that acquirer entity will strengthen its prevalent position in the market and in view of the matters argued in the defence of the bankrupt company, the Competition Authority permitted the transaction via its decision taken on 10 March 2008 following the application made to the Competition Board regarding the above mentioned transactions, provided that:

- following two years after obtainment of permission, brand name Vatan Gazetesi and franchise rights will be transferred by releasing them of any obligations and debts, to persons or entities excluding Doğan Group, or an enterprise Doğan Group directly or indirectly controls(which has already been established, or which is to be established), and the relevant transfer is subject to approval of Competition Authority regardless of the deficiencies in the Communiqué No.1997/1;
- if the brand Vatan Gazetesi and its franchise right cannot be sold under the above-mentioned conditions within two years from the date on which the permission is given, the brand and franchise right will be sold via tender under the supervision of Competition Authority within two months from the end of the second year;
- if the brand and franchise right cannot be sold during this tender process, Doğan Group continues to own the brand Vatan Gazetesi and its franchise right for three years following the tender; Doğan Group meets the liabilities necessary for the brand's legal existence; Doğan Group does not use the said brand name and franchise on any periodicals; Doğan Group evaluates any demands or requests as being subject to the approval of Competition Board pursuant to article 4.1 in the case of any demand towards the said brand and franchise right during the relevant period; and Doğan Group possesses all kinds of usage rights on the brand, if the brand and franchise right cannot be still sold after this period expires.

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

DOĞAN GAZETECİLİK A.Ş.

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2008

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

NOTE 16 - COMMITMENTS

i. Guarantees given

There is no indemnity given as of 30 June 2008 (31 December 2007: None).

Total guarantees given to courts, customs offices, national lottery offices and other parties amount to TRY5.037.915 as of 30 June 2008 (31 December 2007: TRY3.981.760).

ii. Barter agreements

The Group, as a common practice in the media sector, has entered into barter agreements which involve the exchange of goods or services without cash collections or payments. The Group has the right to use various types of goods and services amounting to TRY9.691.285 (31 December 2007: TRY2.647.304) and is under the obligation to provide advertisement services amounting to TRY8.772.483 (31 December 2007: TRY351.645) of various types of services in connection with the barter agreements as of 30 June 2008.

NOTE 17 - PROVISION FOR EMPLOYMENT TERMINATION BENEFITS

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

At 30 June 2008 the amount payable consists of one month's salary limited to a maximum of TRY2.087,92 (31 December 2007: TRY2.030,19) for each year of service.

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

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

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

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

	30 June 2008	31 December 2007
Discount rate (%)	5,71	5,71
Turnover rate to estimate the probability of retirement (%)	87	87

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

DOĞAN GAZETECİLİK A.Ş.

**NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE
PERIOD FROM 1 JANUARY TO 30 JUNE 2008**

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

NOTE 17 - PROVISION FOR EMPLOYMENT TERMINATION BENEFITS (Continued)

The principal assumption is that the maximum liability for each year of service will increase in line with inflation. Thus, the discount rate applied represents the expected real rate after adjusting for the anticipated effects of future inflation. As the maximum liability is revised semi-annually, the maximum amount of TRY2.173,19 effective from 1 June 2008 (1 January 2008: TRY2.087,92) has been taken into consideration in calculating the reserve for employment termination benefit of the Group.

Movements in the provision for employment termination benefits for the period ended 30 June 2008 and 2007 are as follows:

	2008	2007
1 January	3.697.931	3.699.387
Business combinations	1.179.442	-
Increase during the period	1.167.112	1.362.305
Paid during the period	(738.691)	(1.161.078)
30 June	5.305.794	3.900.614

NOTE 18 - OTHER ASSETS AND LIABILITIES

	30 June 2008	31 December 2007
i. Other current assets:		
Deferred VAT and other tax receivables	3.341.725	1.262.189
Prepaid expenses	2.299.098	2.120.407
Job advances	924.989	409.946
Income accruals	742.011	1.410.812
Personnel advances	623.029	484.917
Advances given for the purchase of spare parts and raw materials	62.638	1.906.062
Prepaid taxes and funds	6.377	184.136
	7.999.867	7.778.469
Provision for diminishing in value	(660.893)	(718.602)
	7.338.974	7.059.867

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

	30 June 2008	31 December 2007
ii. Other current liabilities:		
Deferred revenue	3.215.827	1.714.938
Provisions for promotion stocks	192.421	1.039.317
Other	-	59.695
	3.408.248	2.813.950

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

DOĞAN GAZETECİLİK A.Ş.

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2008

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

NOTE 19 - EQUITY

The shareholding structure of the Company is as follows:

Shareholders	30 June 2008		31 December 2007	
	TRY	Share %	TRY	Share %
Doğan Yayın Holding A.Ş.	69.767.461	69,77	69.767.461	69,77
Public offering	29.710.083	29,71	29.710.083	29,71
Other	522.456	0,52	522.456	0,52
	100.000.000	100,00	100.000.000	100,00
Adjustment to share capital	45.910.057		45.910.057	
Paid in capital	145.910.057		145.910.057	

Doğan Yayın Holding A.Ş. owns 11,68% of shares offered to the public as of 30 June 2008 (31 December 2007: 11,68%).

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

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

The aforementioned amounts shall be classified in “Restricted Reserves” in accordance with CMB Financial Reporting Standards. Restricted reserves of the Company amounts to TRY3.837.564 as of 30 June 2008 (31 December 2007: TRY3.837.564).

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

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

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

DOĞAN GAZETECİLİK A.Ş.

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2008

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

NOTE 19 - EQUITY (Continued)

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

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

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

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

In accordance with the decision of Capital Markets Board on 8 January 2008 no 4/138 the minimum profit distribution ratio shall be applied as 20% (31 December 2007: 20%) in relation to publicly-listed joint stock partnerships as of 1 January 2008. Accordingly, it has been made possible that shares, issued in cash or through the addition of dividend to the capital upon the decision of the Company's general assembly, can be distributed to the partners free of charge or that the distribution can be partly made in cash and partly through the free distribution of shares. It has been further enabled that initial dividend amount be left to the partnership without distribution, if such amount is lower than the 5% of the existing paid-up/issued capital amount. Nevertheless, with regard to the joint stock partnerships, which have increased its capital without performing a dividend distribution as to the previous period and which separates its shares as "new" and "old", it has been made obligatory for those partnerships, which will distribute dividend out of its 2007 profits, to distribute the initial dividend amount in cash.

Moreover, in accordance with the CMB decision no 7/242 dated 25 February 2005, in the event that the entire profit distribution amount calculated pursuant the minimum profit distribution amount calculated over the net distributable profit found in accordance with CMB regulations can be covered by the distributable profit in the statutory records, it shall be distributed completely, and if the relevant amount cannot be covered by that amount, all of the net distributable profit in the statutory records shall be distributed. In the event that there is any period loss in financial statements or statutory records prepared in accordance with the CMB regulations, no profit shall be distributed.

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

DOĞAN GAZETECİLİK A.Ş.

**NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE
PERIOD FROM 1 JANUARY TO 30 JUNE 2008**

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

NOTE 20 - SALES AND COST OF SALES

	1 January- 30 June 2008	1 April- 30 June 2008	1 January- 30 June 2007	1 April- 30 June 2007
Domestic sales	167.200.896	101.255.386	136.772.431	74.298.609
Foreign sales	1.518.835	-	3.264.460	1.775.521
Other sales income	1.552.882	925.934	1.141.662	590.913
Sales income, net	170.272.613	102.181.320	141.178.553	76.665.043
Cost of good sold	(102.578.054)	(59.570.114)	(93.231.999)	(47.258.642)
Operating income	67.694.559	42.611.206	47.946.554	29.406.401

The Company has made foreign purchases amounting to TRY54.301.208 during the period 1 January - 30 June 2008 (1 January - 30 June 2007: TRY51.049.578).

Cost of sales

The details of cost of sales for the six-month periods ended 30 June 2008 and 2007 are as follows:

	1 January- 30 June 2008	1 April- 30 June 2008	1 January- 30 June 2007	1 April- 30 June 2007
Raw material costs	54.301.208	32.034.682	51.049.578	26.239.977
Payroll	10.619.128	6.351.156	9.179.961	4.831.902
Printing costs	15.006.774	8.176.596	11.892.795	5.281.339
News production costs	15.037.451	8.657.815	11.532.830	4.848.237
Depreciation and amortization expenses	624.959	364.933	646.393	343.419
Other	6.988.534	3.984.932	8.930.442	5.713.768
	102.578.054	59.570.114	93.231.999	47.258.642

NOTE 21 - OPERATING EXPENSES

	1 January- 30 June 2008	1 April- 30 June 2008	1 January- 30 June 2007	1 April- 30 June 2007
Marketing, sales and distribution expenses	54.489.176	32.845.088	36.872.284	19.104.473
General administrative expenses	13.978.604	8.574.871	10.660.064	5.210.830
	68.467.780	41.419.959	47.532.348	24.315.303

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

DOĞAN GAZETECİLİK A.Ş.

**NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE
PERIOD FROM 1 JANUARY TO 30 JUNE 2008**

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

NOTE 21 - OPERATING EXPENSES (Continued)

Marketing, selling and distribution expenses

	1 January- 30 June 2008	1 April- 30 June 2008	1 January- 30 June 2007	1 April- 30 June 2007
Advertisement expenses	19.041.160	12.158.887	8.658.825	4.617.384
Distribution expenses	14.679.939	8.398.992	11.135.382	5.839.233
Personnel expenses	8.400.062	5.195.945	6.138.391	3.162.466
Promotion expenses	5.920.162	3.364.352	4.402.255	2.222.319
Presentation and marketing expenses	2.116.979	1.363.669	1.865.699	1.141.511
Travel expense	855.888	470.760	696.308	407.716
Sponsorship expenses	716.534	356.179	565.953	266.454
Communication expenses	399.615	247.725	279.368	166.777
Consulting expenses	397.161	167.978	1.056.026	523.322
Packaging expense	104.364	44.637	112.872	63.885
Other	1.857.312	1.075.964	1.961.205	693.406
	54.489.176	32.845.088	36.872.284	19.104.473

General administrative expenses:

	1 January- 30 June 2008	1 April- 30 June 2008	1 January- 30 June 2007	1 April- 30 June 2007
Personnel expenses	6.967.091	3.806.080	5.517.373	2.633.840
Depreciation expenses	2.681.052	2.052.110	1.486.602	718.447
Consulting expenses	1.829.105	1.063.883	1.880.930	872.326
Communication expenses	383.418	291.312	217.013	101.662
Transportation expenses	303.527	170.353	231.975	131.303
Cleaning expense	174.045	112.359	111.317	56.710
Electricity expense	163.376	110.089	103.777	54.341
Maintenance expenses	163.198	114.464	162.726	83.215
Legal expenses	136.634	108.674	162.492	121.976
Other	1.177.158	745.547	785.859	437.010
	13.978.604	8.574.871	10.660.064	5.210.830

NOTE 22 - EXPENSES BY NATURE

As of 30 June 2008 and 2007, expenses are disclosed by function and the analysis of the expenses is summarized in Note 20 and Note 21.

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

DOĞAN GAZETECİLİK A.Ş.

**NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE
PERIOD FROM 1 JANUARY TO 30 JUNE 2008**

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

NOTE 23 - OTHER OPERATING INCOME/(EXPENSES)

	1 January- 30 June 2008	1 April- 30 June 2008	1 January- 30 June 2007	1 April- 30 June 2007
i. Other operating income:				
Gain on disposal of a subsidiary (Note 1)	3.185.528	3.185.528	-	-
Gain on sale of property, plant and equipment, intangible assets and investment property	1.035.303	1.018.792	236.084	(3.057)
Rent income	885.299	416.841	914.869	448.078
Terminated provisions	326.010	185.526	91.437	79.204
Other	270.227	135.291	114.407	100.909
	5.702.367	4.941.978	1.356.797	625.134
ii. Other operating expenses:				
Provision for doubtful receivables	(531.435)	(238.383)	(544.769)	(280.991)
Provision of impairment for inventories	(299.455)	(299.455)	-	-
Other	(718.651)	(615.825)	(344.649)	(242.702)
	(1.549.541)	(1.153.663)	(889.418)	(523.693)

NOTE 24 - FINANCIAL INCOME / EXPENSES

	1 January- 30 June 2008	1 April- 30 June 2008	1 January- 30 June 2007	1 April- 30 June 2007
i. Financial income				
Foreign exchange gains	8.003.286	1.798.605	441.086	322.218
Interest income	3.746.055	1.163.288	186.658	22.122
Financial income from sales, net	2.963.992	1.810.975	3.166.203	2.065.678
	14.713.333	4.772.868	3.793.947	2.410.018
ii. Financial expenses				
Foreign exchange losses	(1.029.874)	(426.119)	(54.969)	(44.735)
Financial expense from sales,net	(725.590)	(513.768)	(460.640)	(312.710)
Interest expenses	(886.842)	(852.017)	(223.369)	(121.070)
Other financial expenses	(632.962)	(323.794)	(556.056)	(314.887)
	(3.275.268)	(2.115.697)	(1.295.035)	(793.402)

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

DOĞAN GAZETECİLİK A.Ş.

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2008

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

NOTE 25 - NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

Assets held for sale comprise of flats acquired in the scope of barter agreements and not used for Group's operations. Main intention is to provide cash inflow with the sale of these assets and no depreciation is provided. These assets comprise of five flats in İstanbul and Ankara and as their purchase date is close to the balance sheet date, it is assumed that their purchase costs approximates to current market prices. Carrying amount of these assets held for sale as of 30 June 2008 is TRY1.086.400 (31 December 2007: None).

NOTE 26 - CURRENT AND DEFERRED INCOME TAXES

	30 June 2008	31December 2007
Corporation and income taxes payable	2.754.605	2.682.418
Less: prepaid taxes	(1.299.283)	(2.665.962)
Tax Liability	1.455.322	16.456

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

Corporate Income Tax Law numbered 5520 was published in the official gazette numbered dated 13 September 2006 and most clauses has come into effect from 1 January 2006 .The corporation tax rate of the fiscal year 2008 is 20% (2007: 20%). Corporation tax is payable at a rate of 20% on the total income of the Company after adjusting for certain disallowable expenses, exempt income and allowances. No further tax is payable unless the profit is distributed (except withholding tax at the rate of 19.8% on the investment incentive allowance utilized within the scope of the Income Tax Law transitional article 61).

Dividends paid to non-resident corporations which have a place of business in Turkey or resident corporations are not subject to withholding tax. Otherwise dividends paid are subject to withholding tax at the rate of 10%. An increase in capital via issuing bonus shares is not considered as a profit distribution and thus does not incur withholding tax.

Corporations are required to pay advance corporation tax quarterly at the rate of 20% (31 December 2007: 20%) on their corporate income. Advance tax is to be declared by the 14th day of the second month following each calendar quarter end and is payable by the 17th of the second month following each calendar quarter end. Advance tax paid by corporations is credited against the annual corporation tax liability. The balance of the advance tax paid may be refunded or used to be set off against other liabilities to the government.

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

DOĞAN GAZETECİLİK A.Ş.

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2008

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

NOTE 26 - CURRENT AND DEFERRED INCOME TAXES (Continued)

In accordance with Tax Law No.5024 "Law Related to Changes in Tax Procedural Law. Income Tax Law and Corporate Tax Law" that was published on the Official Gazette on 30 December 2003 to amend the tax base for non-monetary assets and liabilities effective from 1 January 2004 income and corporate taxpayers will prepare the statutory financial statements by adjusting the non-monetary assets and liabilities for the changes in the general purchasing power of the Turkish lira. In accordance with the aforementioned laws' provisions, in order to apply inflation adjustment the cumulative inflation rate (SIS-WPI) over the last 36 months and 12 months must exceed 100% and 10% respectively. Inflation adjustment has not been applied as these conditions were not fulfilled in the year 2007.

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

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

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

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

Exemption for participation in domestic subsidiaries:

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

Exemption for share premium

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

Exemption of participation in foreign subsidiaries

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

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

DOĞAN GAZETECİLİK A.Ş.

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2008

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

NOTE 26 - CURRENT AND DEFERRED INCOME TAXES (Continued)

Real property, investment equity, preferential rights, usufruct shares, founding shares, sales exemption:

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

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

The taxes on income for the six-month periods ended 30 June 2008 and 2007 is summarized as follows:

	1 January- 30 June 2008	1 April- 30 June 2008	1 January- 30 June 2007	1 April- 30 June 2007
- Current year corporate tax	(2.754.606)	(1.455.471)	(1.116.450)	(1.099.631)
- Deferred tax (expense) / income	(65.868)	111.004	182.619	149.882
Total tax expense	(2.820.474)	(1.344.467)	(933.831)	(949.749)

The reconciliation of the taxation on income in the consolidated statement of income for the six-month periods ended 30 June 2008 and 2007 and the taxation on income calculated with the current tax rate over income from continuing operations before tax is as follows:

	2008	2007
Profit before income taxes from continuing operations	14.817.670	3.380.497
20% provision for corporate tax calculated by effective tax rate	(2.963.534)	(676.100)
Expenses not deductible for tax purposes	(208.115)	(106.958)
Income not subject to tax	799.527	9.757
The effects of financial losses subject to discount in the current period	(465.287)	(185.766)
Other	16.934	25.236
Total	(2.820.474)	(933.831)

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

DOĞAN GAZETECİLİK A.Ş.

**NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE
PERIOD FROM 1 JANUARY TO 30 JUNE 2008**

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

NOTE 26 - CURRENT AND DEFERRED INCOME TAXES (Continued)

Deferred taxes

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

Deferred income taxes are calculated on temporary differences that are expected to be realized or settled based on the taxable income in coming years under the liability method using a principal tax rate of 20% (31 December 2007: 20%).

The temporary differences giving rise to deferred income tax assets/(liabilities) using the enacted tax rates as of 30 June 2008 and 31 December 2007 are as follows:

	<u>Temporary differences</u>		<u>Deferred tax assets/ (liabilities)</u>	
	<u>30 June 2008</u>	<u>31 December 2007</u>	<u>30 June 2008</u>	<u>31 December 2007</u>
Difference between the tax base and carrying value of property, plant and equipment and intangible assets	-	3.384.784	-	676.957
Provision for employment termination benefits	5.305.794	3.697.931	1.061.159	739.586
Unearned financial income	993.568	593.961	198.713	118.792
Provision for lawsuits	826.037	813.880	165.208	162.776
Provision for promotion stocks	192.421	1.039.317	38.484	207.863
Provision of impairment on inventories	3.844.100	314.112	768.819	62.772
Provision for doubtful receivables	5.110.330	1.686.151	1.022.066	337.231
Deferred internet revenue	-	919.104	-	183.821
Unused vacation accrual	977.258	379.735	195.452	75.946
Prepaid expenses	660.893	660.893	132.179	132.179
Deferred tax assets			3.582.080	2.697.923
Difference between the tax base and carrying value of property, plant and equipment and intangible assets	56.174.214	-	(11.234.842)	-
Unearned financial expenses	(392.490)	(183.232)	(78.498)	(36.646)
Deferred tax liabilities			(11.313.340)	(36.646)
Deferred tax assets/(liabilities), net			(7.731.260)	2.661.277

Since each Company within the Group are separate legal entities, the deferred tax assets and liabilities have not been netted-off.

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

DOĞAN GAZETECİLİK A.Ş.

**NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE
PERIOD FROM 1 JANUARY TO 30 JUNE 2008**

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

NOTE 26 - CURRENT AND DEFERRED INCOME TAXES (Continued)

The movements in deferred income tax assets/(liabilities) for the six-month periods ended 30 June 2008 and 2007 are as follows:

	2008	2007
1 January	2.661.277	2.263.570
Business combinations	(10.326.669)	-
Deferred tax income/(expense)	(65.868)	182.619
30 June	(7.731.260)	2.446.189

Deferred income tax assets are recognized for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized. As of 30 June 2008, carry forward tax losses for which no deferred income tax asset was recognized amounted to TRY67.986.723 (31 December 2007: None).

NOTE 27 - EARNINGS PER SHARE

	1 January- 30 June 2008	1 April - 30 June 2008	1 January- 30 June 2007	1 April- 30 June 2007
Net income	11.975.396	6.314.026	2.467.514	5.869.194
Weighted average number of shares with face value of TRY 1 each	100.000.000	100.000.000	78.000.000	78.000.000
Earnings per share (1YKr for 1TRY share)	12,0	6,3	3,2	7,5

NOTE 28 - TRANSACTIONS AND BALANCES WITH RELATED PARTIES

A summary of the balances and transactions with related parties is disclosed below:

a) Due from related parties:

	30 June 2008	31 December 2007
Due from related parties:		
Doğan Dağıtım Satış ve Pazarlama A.Ş. (“Doğan Dağıtım”)	4.837.579	2.667.049
Medyanet İletişim Reklam Paz. Turizm A.Ş. (“Medyanet”)	1.522.232	1.824.861
Birey Seçme ve Değerlendirme Danışmanlık Ltd. Şti (“Birey İK”)	384.865	365.989
D Market Elektronik Hizm. Tic. A.Ş. (“D Market”)	233.685	741.939
Milliyet Verlags und Handels GmbH (“Milliyet Verlags”)	220.030	-
Doğan TV Holding A.Ş. (“Doğan TV”)	9.133	616.819
Doğan Media International (“DMG”)	-	395.246
Other	1.063.606	717.071
	8.271.130	7.328.974

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

DOĞAN GAZETECİLİK A.Ş.

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2008

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

NOTE 28 - TRANSACTIONS AND BALANCES WITH RELATED PARTIES (Continued)

b) Stock advances given to related parties

	30 June 2008	31 December 2007
Işıl İthalat İhracat Mümessillik A.Ş. (“Işıl İthalat İhracat”)	-	1.906.062
	-	1.906.062

c) Due to related parties:

	30 June 2008	31 December 2007
Due to related parties:		
Işıl İthalat ve İhracat Mümessillik A.Ş. (“Işıl İthalat İhracat”)	16.490.672	-
DTV Haber ve Görsel Yayıncılık A.Ş. (“Kanal D”)	14.667.791	1.551.425
Hürriyet Gazetecilik ve Matbaacılık A.Ş. (“Hürriyet”)	10.659.252	6.725.545
Doğan Faktoring Hizmetler A.Ş. (“Doğan Faktoring”)	7.902.535	-
Işıl TV Yayıncılık Yapımcılık San. ve Tic. A.Ş. (“Star TV”)	2.319.582	548.163
Doğan Dış Ticaret	1.659.699	143.487
Doğan Yayın Holding A.Ş. (“Yayın Holding”)	1.612.800	1.804.139
Milta Turizm İşletmeleri A.Ş. (“Milta Turizm”)	796.723	725.407
Hürriyet Zweigniderlassung (“Hürriyet Zweigniderlassung”)	-	3.067.743
Eko TV Televizyon Yayıncılık A.Ş. (“CNN Türk”)	-	218.097
Other	1.230.690	977.661
	57.339.744	15.761.667
Less: Unearned credit finance charged to related parties	(391.028)	(183.232)
	56.948.716	15.578.435

d) Borrowings

Doğan Factoring	6.968.782	-
-----------------	-----------	---

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

DOĞAN GAZETECİLİK A.Ş.

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2008

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

NOTE 28 - TRANSACTIONS AND BALANCES WITH RELATED PARTIES (Continued)

e) Service and product sales to related parties:

	1 January- 30 June 2008	1 April- 30 June 2008	1 January- 30 June 2007	1 April- 30 June 2007
Doğan Dağıtım	59.273.249	32.142.528	52.324.589	26.785.210
Medyanet A.Ş.	2.046.498	1.521.671	1.104.450	101.200
Kanal D	1.366.360	860.956	2.751.687	762.052
Petrol Ofisi	1.165.415	595.224	577.360	508.770
Turan Radyo	984.907	7.200	-	-
Rapsodi Radyo TV	746.145	746.145	-	-
Mozaik	713.912	597.517	-	-
DMI	698.728	365.137	1.058.500	719.215
Hürriyet	647.889	314.012	507.591	235.757
Alp Görsel	556.655	-	1.735.735	696.433
Star TV	539.849	307.508	1.607.031	265.518
Other	2.952.689	704.545	2.291.932	1.242.679
	71.692.297	38.162.443	63.958.875	31.316.834

f) Service and product purchases from related parties:

	1 January- 30 June 2008	1 April- 30 June 2008	1 January- 30 June 2007	1 April- 30 June 2007
İşıl İthalat	35.674.327	20.993.129	39.778.913	20.299.560
Dış Ticaret	22.392.208	13.872.432	12.770.491	6.764.977
Hürriyet	14.567.621	8.219.869	11.217.981	5.735.168
Other	7.776.544	5.200.718	6.266.220	3.230.367
	80.410.700	48.286.148	70.033.605	36.030.072

Less: Unearned credit finance charged to related parties

	(725.590)	(513.768)	(460.640)	(312.710)
	79.685.109	47.772.380	69.572.965	35.717.362

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

DOĞAN GAZETECİLİK A.Ş.

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2008

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

NOTE 28 - TRANSACTIONS AND BALANCES WITH RELATED PARTIES (Continued)

g) Other significant transactions with related parties:

Other income/(expense), net

	1 January- 30 June 2008	1 April- 30 June 2008	1 January- 30 June 2007	1 April- 30 June 2007
Kanal D	782.197	403.621	883.080	432.235
Medyanet	153.641	59.900	78.861	42.580
Hürriyet	119.283	-	-	-
Other	18.325	722	7.920	3.960
	1.073.446	464.243	969.861	478.775

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

Financial (expense)/income, net

	1 January- 30 June 2008	1 April- 30 June 2008	1 January- 30 June 2007	1 April- 30 June 2007
İşıl İthalat	358.624	358.624	-	-
Doğan Factoring	196.374	118.667	217.268	135.534
Doğan Dış Ticaret	49.336	49.336	-	-
Financial expenses	604.334	526.627	217.268	135.534

General administrative, marketing, distribution and selling expenses

	1 January- 30 June 2008	1 April - 30 June 2008	1 January- 30 June 2007	1 Nisan- 30 June 2007
Doğan Dağıtım	13.211.903	7.150.531	11.099.483	5.896.317
Kanal D	11.685.365	8.365.356	2.952.259	1.583.604
Star TV	1.953.052	233.052	1.509.697	888.890
Yayın Holding	1.597.217	818.632	1.870.323	934.244
D Yapım Reklamcılık ve Dağıtım A.Ş.	543.260	295.319	733.497	325.844
Medyanet	368.014	124.760	-	-
Hürriyet	71.109	52.814	640.314	26.843
Other	947.563	464.549	1.591.725	621.417
	30.377.485	17.505.013	20.397.298	10.277.159

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

DOĞAN GAZETECİLİK A.Ş.

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2008

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

NOTE 28 - TRANSACTIONS AND BALANCES WITH RELATED PARTIES (Continued)

Intangible asset purchases from related parties

	1 January- 30 June 2008	1 April - 30 June 2008	1 January- 30 June 2007	1 April- 30 June 2007
Doğan Portal ve Elektronik Tic. A.Ş.	17.400.000	17.400.000	-	-
	17.400.000	17.400.000	-	-

Remuneration paid to top management

	1 January- 30 June 2008	1 April- 30 June 2008	1 January- 30 June 2007	1 April- 30 June 2007
Benefits provided to top management	453.739	262.430	392.775	208.030
	453.739	262.430	392.775	208.030

NOTE 29 - FINANCIAL RISK MANAGEMENT

Market Risk

Interest rate risk

The Group is exposed to interest rate risk through the impact of rate changes on interest bearing liabilities (Note 7). These exposures are managed by using natural hedges that arise from offsetting interest rate sensitive assets and liabilities.

As mentioned in Note 7, amount of borrowings with a floating rate is TRY2.465.496. If interest rate on borrowings had been 1% higher/lower with all other variables held constant, interest expense would have been TRY12.403 (31 December 2007: TRY47.361) higher/lower.

Foreign currency risk

The Group is exposed to the foreign exchange risk through the impact of rate changes in the translation of foreign currency denominated liabilities and assets to TRY. These risks are monitored and limited by the analysis of the foreign currency position.

As explained below, the Group's foreign currency denominated liabilities exceed foreign currency denominated assets by TRY11.591.518 (31 December 2007: foreign currency denominated assets exceed foreign currency denominated liabilities by TRY65.668.760). Accordingly, changes in foreign exchange rates affect the financial performance of the Group. Management follows up the foreign exchange risk by analysing the foreign currency position (Note 29).

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

DOĞAN GAZETECİLİK A.Ş.

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2008

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

NOTE 29 - FINANCIAL RISK MANAGEMENT (Continued)

At 30 June 2008, had the US Dollar appreciated/depreciated by 10% against TRY, with all other variables held constant, net income for the period would have been TRY1.187.338 lower/higher (31 December 2007: TRY6.544.413 lower/higher).

	30 June 2008	31 December 2007
Assets	6.368.880	68.023.148
Liabilities	(17.960.398)	(2.354.388)
Net foreign currency position	(11.591.518)	65.668.760

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

DOĞAN GAZETECİLİK A.Ş.

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2008

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

NOTE 29 - FINANCIAL RISK MANAGEMENT (Continued)

The table below summarises the Group's exposure to foreign currency exchange rate risk at 30 June 2008 and 31 December 2007. Included in the tables are the Group's foreign currency denominated assets and liabilities at carrying amounts, categorised by currency:

30 June 2008

	USD		EURO		Other	
	Orginal Amount	TRY	Orginal Amount	TRY	TRY	Total
Assets:						
Cash and cash equivalents	4.600.291	5.629.376	27.748	53.473	8.414	5.691.263
Trade receivable	363.443	444.745	-	-	-	444.745
Due from related parties	-	-	113.148	218.047	-	218.047
Other receivables	10.540	12.898	1.000	1.927	-	14.825
	4.974.274	6.087.019	141.896	273.447	8.414	6.368.880
Liabilities:						
Short term trade payables	2.014.788	2.465.496	-	-	-	2.465.496
Trade payables	-	-	-	-	-	-
Due to related parties	5.970.337	7.305.901	-	-	-	7.305.901
Other liabilities	6.692.000	8.189.000	-	-	-	8.189.000
	14.677.125	17.960.397	-	-	-	17.960.397
Net foreign currency position	(9.702.851)	(11.873.378)	141.896	273.447	8.414	(11.591.518)

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

DOĞAN GAZETECİLİK A.Ş.

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2008

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

NOTE 29 - - FINANCIAL RISK MANAGEMENT (Continued)

31 December 2007

	USD		EURO		Other	
	Original Amount	TRY	Original Amount	TRY	TRY	Total
Assets:						
Cash and cash equivalents	58.211.146	67.798.521	6.520	11.150	13.385	67.823.056
Trade receivable	-	-	-	-	-	-
Due from related parties	-	-	116.999	200.092	-	200.092
Stock advances given	-	-	-	-	-	-
	58.211.146	67.798.521	123.519	211.242	13.385	68.023.148
Liabilities:						
Short term trade payables	2.021.454	2.354.388	-	-	-	2.354.388
Trade payables	-	-	-	-	-	-
Due to related parties	-	-	-	-	-	-
Long term borrowings	-	-	-	-	-	-
	2.021.454	2.354.388	-	-	-	2.354.388
Net foreign currency position	56.189.691	65.444.134	123.519	211.242	13.385	65.668.760

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

DOĞAN GAZETECİLİK A.Ş.

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2008

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

NOTE 29 - FINANCIAL RISK MANAGEMENT (Continued)

Credit risk

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

As of 30 June 2008 and 31 December 2007, borrowings of the Group are limited with the banks with high credit ratings. The Banks to which the Group owes as of 31 December 2007 and 2006 are as follows:

	30 June 2008	31 December 2007
Akbank T.A.Ş.	2.961.664	2.354.388
Total	2.961.664	2.354.388

Liquidity risk

Prudent liquidity risk management includes maintaining sufficient cash and marketable securities, the availability of funding from an adequate amount of committed credit facilities and the ability to close out market positions.

The ability to fund the existing and prospective debt requirements is managed by maintaining the availability of adequate committed funding lines from high quality lenders. At 30 June 2008, the Group does not have long term long term trade payables and long term bank borrowings amount to TRY117.710 (31 December 2007: None) (Note 6).

Capital risk management

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

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

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

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

DOĞAN GAZETECİLİK A.Ş.

**NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE
PERIOD FROM 1 JANUARY TO 30 JUNE 2008**

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

NOTE 30 - FINANCIAL INSTRUMENTS

Fair value of financial instruments

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

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

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

Monetary assets

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

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

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

Monetary liabilities

Trading liabilities have been estimated at their fair values.

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

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

NOTE 31- SUBSEQUENT EVENT

- i. Share capital of Doğan Gazetecilik A.Ş. was raised from TRY100.000.000 to TRY105.000.000 all of which shall be sourced by the distributable profit of the year 2007. Such increase was decided at the general assembly on 4 May 2008. The registered capital ceiling of the Company is TRY150.000.000.