

ÇELEBİ HAVA SERVİSİ A.Ş.

**CONVENIENCE TRANSLATION INTO ENGLISH OF
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD 1 JANUARY - 31 MARCH 2010**

(ORIGINALLY ISSUED IN TURKISH)

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

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**CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD 31 MARCH 2010**

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**CONSOLIDATED BALANCE SHEETS
AT 31 MARCH 2010 AND 31 DECEMBER 2009**

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

	Notes	31 March 2010	31 December 2009
ASSETS			
Current assets			
Cash and cash equivalents	5	96.689.705	94.601.180
Trade receivables	8	25.034.549	22.222.384
Due from related parties	26	6.814.287	10.522.877
Other receivables	9	2.003.546	7.752.164
Inventories	10	4.016.072	3.758.396
Other current assets	16	8.940.986	6.454.477
Total current assets		143.499.145	145.311.478
Non-current assets			
Financial investments	6	19.772.071	-
Property, plant and equipment	11	101.668.352	102.331.411
Intangible assets	12	56.603.548	56.542.155
Goodwill	13	18.060.712	18.528.001
Deferred income tax assets	24	256.157	180.951
Other non-current assets	16	4.807.692	4.675.521
Total non-current assets		201.168.532	182.258.039
Total assets		344.667.677	327.569.517

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

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**CONSOLIDATED BALANCE SHEETS
AT 31 MARCH 2010 AND 31 DECEMBER 2009**

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

	Notes	31 March 2010	31 December 2009
LIABILITIES			
Current liabilities			
Financial liabilities	7	48.403.847	35.855.662
Trade payables	8	14.872.354	14.421.523
Due to related parties	26	1.825.681	664.070
Other payables	9	690.951	13.919.294
Provisions	14	12.497.143	8.056.554
Taxes on income	24	321.019	155.439
Other current liabilities	16	11.167.570	12.126.321
Total current liabilities		89.778.565	85.198.863
Non-current liabilities			
Financial liabilities	7	109.046.585	102.446.246
Derivative financial instruments	27	6.347.593	7.080.848
Other non-current payables	9	346.446	332.319
Deferred income tax liabilities	24	3.000.230	3.798.263
Provision for employee benefits	15	6.634.382	6.080.473
Other non-current liabilities	16	2.549.766	2.535.966
Total non-current liabilities		127.925.002	122.274.115
Total liabilities		217.703.567	207.472.978
EQUITY			
Equity attributable to equity holders of the parent			
Capital	17	24.300.000	24.300.000
Restricted reserves	17	19.322.144	19.322.144
Currency translation differences	2.1	3.248.072	915.353
Retained earnings	17	75.254.405	47.471.772
Net income/(Loss) for the period	17	(3.363.052)	27.782.633
Minority interest		8.202.541	304.637
Total equity		126.964.110	120.096.539
Total liabilities and equity		344.667.677	327.569.517
Contingent assets and liabilities	14		

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

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ÇELEBİ HAVA SERVİSİ A.Ş.

**CONSOLIDATED STATEMENTS OF INCOME
FOR THE PERIOD 1 JANUARY - 31 MARCH 2010 AND 2009**

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

	Notes	31 March 2010	31 March 2009
CONTINUING OPERATIONS			
Revenue - net	18	62.259.716	54.410.214
Cost of sales (-)	18	(46.988.492)	(45.119.467)
GROSS PROFIT	18	15.271.224	9.290.747
General administrative expenses (-)	20	(12.842.741)	(9.815.471)
Other operating income	21	887.072	455.860
Other operating expense (-)	21	(3.821.859)	(724.769)
OPERATING LOSS		(506.304)	(793.633)
Financial income	22	7.336.486	6.578.871
Financial expense (-)	23	(7.216.880)	(27.275.017)
INCOME BEFORE TAX		(386.698)	(21.489.779)
Income tax expense		(1.612.178)	(1.162.109)
Taxes on income for the period	24	(2.473.648)	(1.109.747)
Deferred income tax income / (expense)	24	861.470	(52.362)
NET LOSS		(1.998.876)	(22.651.888)
Net loss attributable to			
Minority interest		1.364.176	(6.548.543)
Equity holders of the parent		(3.363.052)	(16.103.345)
		(1.998.876)	(22.651.888)
Earnings per share (Kr)	25	(0,001)	(0,007)

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

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**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE PERIOD 1 JANUARY - 31 MARCH 2010 AND 2009**

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

	31 March 2010	31 March 2009
Net loss for the period	(1.998.876)	(22.651.888)
Other comprehensive income:		
Currency translation differences	3.084.698	362.920
Other comprehensive income/(loss)	3.084.698	362.920
Total comprehensive income/(loss)	1.085.822	(22.288.968)
Total comprehensive income/(loss) attributable to:		
Minority interest	2.116.155	(6.439.673)
Equity holders of the parent	(1.030.333)	(15.849.295)
	1.085.822	(22.288.968)

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**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE PERIOD 1 JANUARY - 31 MARCH 2010 AND 2009**

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

	Capital	Restricted reserves	Cumulative translation differences	Retained earnings	Net loss for the period	Minority interest	Total equity
Balances at 1 January 2009	24.300.000	15.358.025	985.303	54.526.957	35.044.734	116.361	130.331.380
Transfers to retained earnings	-	-	-	35.044.734	(35.044.734)	-	-
Transfers to reserves	-	3.964.119	-	(3.964.119)	-	-	-
Dividends paid	-	-	-	(38.135.801)	-	-	(38.135.801)
Total comprehensive loss	-	-	254.050	-	(16.103.345)	(6.439.673)	(22.288.968)
Balances at 31 March 2009	24.300.000	19.322.144	1.239.353	47.471.771	(16.103.345)	(6.323.312)	69.906.611
Balances at 1 January 2010	24.300.000	19.322.144	915.353	47.471.772	27.782.633	304.637	120.096.539
Transfers to retained earnings	-	-	-	27.782.633	(27.782.633)	-	-
Capital increase	-	-	-	-	-	5.781.749	5.781.749
Total comprehensive loss	-	-	2.332.719	-	(3.363.052)	2.116.155	1.085.822
Balances at 31 March 2010	24.300.000	19.322.144	3.248.072	75.254.405	(3.363.052)	8.202.541	126.964.110

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**CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE PERIOD 1 JANUARY - 31 MARCH 2010 AND 2009**

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

	Notes	31 March 2010	31 March 2009
Cash flow provided from operating activities			
Income before tax		(386.698)	(21.489.779)
Adjustments to reconcile income before tax to net cash provided by operating activities:			
Depreciation and amortisation	11, 12	5.536.297	10.536.341
Provision for employment termination benefits	15	1.292.454	1.229.592
Provision for investment consultancy	14	3.134.290	-
Provision for unused vacation	14	60.632	250.998
Provision for sales commissions	14	463.549	(384.678)
Provision for borrowing commission expense	14	369.433	-
Provision for DHMI agreement share	14	-	3.277.103
Expense accrual for DHMI		2.482.629	1.487.602
Provision for litigation	14	79.498	(34.215)
Other provisions	14	1.317.943	347.162
Provision for doubtful receivable	8	148.023	31.010
Change in derivative financial instruments	27	(733.255)	(9.302.503)
Interest income	22	(1.097.048)	(1.722.255)
Interest expense	23	1.559.782	1.201.428
Losses / (Gains) from sales of property, plant and equipment		70.645	(30.428)
Unrecognised foreign exchange differences (income) / expense		1.751.468	6.911.463
Minority interest		1.364.176	(6.548.543)
Increase in minority interest due to consolidation of subsidiary		5.781.749	-
Cash flow provided before changes in assets and liabilities		23.195.567	(14.239.702)
Trade receivables		(2.960.188)	(1.286.779)
Due from related parties		3.708.590	(5.862.033)
Inventories		(257.676)	42.141
Income taxes paid	24	(2.308.068)	(420.147)
Other receivables		5.748.618	12.438.549
Other current assets		(2.486.509)	(142.911)
Other non-current assets		(1.335.634)	228.432
Trade payables		450.831	(1.514.469)
Due to related parties		1.161.611	(5.920.385)
Other payables		(13.214.216)	-
Other current liabilities		(958.751)	(375.463)
Other non-current liabilities		77.237	21.150.094
Employment termination benefits paid	15	(739.119)	(1.049.769)
Vacation benefits paid	14	(47.787)	(97.628)
DHMI agreement share paid	14	-	(2.184.823)
DHMI Expense accrual paid		(1.519.041)	(2.363.543)
Borrowing commission expenses paid		(626.965)	-
Litigation provisions paid	14	(3.538)	(11.138)
Investment consultancy expenses paid		-	-
Other compensations paid	14	(1.138.792)	(713.877)
Net cash generated from operating activities		6.746.170	(2.323.451)
Investing activities:			
Purchases of property, plant and equipment	11	(3.171.620)	(181.728)
Purchase of intangible assets	12	(167.465)	1.647.950
Interest received		1.143.658	1.587.776
Increase due to the addition of subsidiary in the consolidation	6	(19.772.071)	-
Proceeds from sale of property, plant and equipment		333.112	4.847
Net cash used in investing activities		(22.057.751)	3.058.845
Cash flow provided from financing activities:			
Change in borrowings		19.138.577	27.054.702
Change in short-term finance lease obligations		(16.554)	11.934
Change in long-term finance lease obligations		26.501	(122)
Dividends paid	17	-	(38.135.801)
Interest paid		(721.260)	(1.240.222)
Net cash (used in) / generated from financing activities		18.427.264	(12.309.509)
Increase in restricted cash and cash equivalents	5	1.079.286	-
Cumulative translation adjustment		(1.496.952)	1.753.214
Net increase in cash and cash equivalents		3.121.382	(9.820.901)
Cash and cash equivalents at the beginning of the period	5	87.092.961	53.627.149
Cash and cash equivalents at the end of the period	5	90.214.343	43.806.248

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY - 31 MARCH 2010 AND 2009

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

NOTE 1 - ORGANISATION AND NATURE OF OPERATIONS OF THE GROUP

Çelebi Hava Servisi A.Ş. (collectively referred to as the "Company" or "Çelebi Hava") established in 1958 was the first private ground handling service company in the Turkish aviation sector. The Company provides ground handling services (representation, traffic, ramp, cargo, flight operations and aircraft maintenance etc) and fuel supplies to domestic and foreign airlines and private cargo companies. The Company operates in İstanbul Atatürk, İzmir, Ankara, Adana, Antalya, Dalaman, Bodrum, Çorlu, Bursa Yenişehir, Diyarbakır, Erzurum, Kayseri, Samsun, Trabzon, Tokat, Van, Malatya, Kars, Mardin, Denizli, Hatay, Kahramanmaraş, Isparta and Erzincan airports, which are under the control of the State Airports Administration ("DHMI") and İstanbul Sabiha Gökçen airport which is under the control of the Airport Administration and Aviation Industries A.Ş. ("HEAŞ").

The address of the Company is as follows:

Atatürk Havalimanı, Yeşilköy
34149 Yeşilköy, İstanbul

The Company has consolidated Çelebi IC Antalya Havalimanı Terminal Yatırım ve İşletme A.Ş. ("Çelebi IC Yatırım") with 49,99% of shares using the joint-venture consolidation method as of 31 December 2009. Çelebi IC Yatırım was established on 23 March 2004 based on the "Antalya Airport 2nd International Terminal ("Terminal") built, operate and transfer agreement" between the Company and the DHMI on 24 February 2004. Based on this agreement and an additional contract prepared on 10 November 2004, the construction of the building was finished and operations started as of 4 April 2005. Operating of Terminal has ended according to application agreement mentioned above as of 23 September 2009 (Note 12). The other main shareholder of Çelebi IC Yatırım is İçtaş İnşaat Sanayi ve Ticaret A.Ş. with 49,99% of shares.

The Company has also consolidated Çelebi Güvenlik Sistemleri ve Danışmanlık A.Ş. ("Çelebi Güvenlik") in which it holds 94,8% (31 December 2009: 94,8%) of shares. Çelebi Güvenlik maintains security at the Terminal and provides security services to the airline companies.

The Company has also participated in a tender offer as of 7 August 2006 called by the Budapest Airport Budapest Ferihegy Nemzetközi Repülőtér Üzemeltető Zártkörűen Működő Reszvenytársaság ("Ba Zrt") company resident in Budapest, Hungary for the acquisition of the Budapest Airport Handling Kereskedelmi és Szolgáltatás Korlátolt Felelősségű Társaság ("BAGH") company that provides ground handling services at Budapest Airport and in which ("Ba Zrt") has a %100 share. . The Company was informed of winning the tender offer on 14 August 2006 and participates in the Celebi Tanácsadó Korlátolt Felelősségű Társaság ("Celebi Kft.") company that was founded on 22 September 2006 as founding shareholder for the realisation of the abovementioned share transfer. Celebi Kft acquired all the shares of BAGH on 26 October 2006 and the trade name of BAGH has been changed to Celebi Ground Handling Hungary Földi Kiszolgáltató Korlátolt Felelősségű Társaság ("CGHH"). Celebi Kft has share capital of 2.700.000.000 Hungary Forint ("HUF") in which the Company has a share of HUF 1.890.000.000 (%70). The other shares belong to Çelebi Holding A.Ş which is also the shareholder of the Company. Celebi Kft has been taken over by CGHH with all assets and liabilities and merger transactions have been completed at 31 October 2007 after the completion of the registration, related changes in Articles of Association and General Assembly decisions carried out within the legal framework effective in Hungary Since Celebi Kft owned %100 of CGHH shares before the merger, the Company's share has remained %70 in CGHH share capital which is determined as HUF 900.000.000. The capital of CGHH has been increased to HUF 910.000.000 after the merger. The Capital of CGHH has been increased to HUF 1.000.000.000 from HUF 910.000.000 in 31 December 2009 and the Company has share capital of HUF 700.000.000 (%70) as of 30 June 2009. Remaining part amounted HUF 300.000.000 (%30) is owned by Çelebi Holding A.Ş.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY - 31 MARCH 2010 AND 2009

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

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

Within the framework of the tender relating to provide ground handling services for 10 years period in Mumbai Chhatrapati Shivaji International Airport in India which resulted in favor of the consortium in which the Company takes part, a joint venture company has been established on 12 December 2008 with a capital of 100.000.000 Indian Rupee (Indian Rupee: "INR") and the title of "Celebi Nas Airport Services India Private Limited ("Celebi Nas") resident in Maharashtra, Mumbai India to provide ground handling services. The Company, as co-founder, has a 51% stake in Celebi Nas and the capital of the company has been increased to INR400.000.000.

The Company participated as a co-founders in the company with capital of INR100,000 under the title Celebi Delhi Cargo Terminal Management India Private Limited ("Celebi Delhi Cargo") to carry out activities relating to the development, modernisation, financing and 25-year operation of the existing cargo terminal in the airport ("Brownfield") in New Delhi in India on 06 May 2009, and its capital share in Celebi Delhi Cargo is 74%.

The equity in the amount of INR603,406,000 needed to meet financial requirement of the investments planned and the fulfillment of the requirements arising from the Concession Agreement signed by Celebi Ground Handling Delhi Private Limited ("Çelebi GH Delhi"), established in 18th November 2009, with a paid-in capital amounting to INR100,000 and in which the Company participated at 74%, with the tender authority upon winning the tender opened for the conduct of airport ground handling services in Delhi International Airport for 10 years, was met through a premium capital increase according to the legal legislation in India by paying INR600.732.000 (approximately USD12.8 million) and The Company has a 74% stake in Celebi GH Delhi.

As of 25 March 2010, The Company participated 100% in the company was established in Madrid, Spain under the title "Celebi Ground Handling Europe" ("Celebi Europe") with the capital of EUR10,000, as a founding partner for the purpose of investing business in foreign countries, especially those in the European Union.

As of 31 March 2010, the consolidated financial statements of the Company include the Company, Çelebi IC Yatırım, CGHH, Çelebi Güvenlik, Celebi Nas and Celebi Delhi Cargo (collectively, referred to as the "Group").

These consolidated financial statements for the period 1 January - 31 March 2010 have been approved for issue by the Board of Directors on 13 May 2010 and signed by S. Samim Aydın (General Manager) and H. Tanzer Gücümen(CFO) on behalf of Board of Directors. The shareholders of the Company have the power to amend the consolidated financial statements after the issue in the General Assembly meeting of the Company.

Subsidiaries:

The Company has the following subsidiaries (the "Subsidiaries"). The nature of the business of the Subsidiaries and for the purpose of the consolidated financial statements, their respective geographical segments are as follows:

<u>Subsidiary</u>	<u>Country of incorporation</u>	<u>Geographical segment</u>	<u>Nature of business</u>
Çelebi Güvenlik	Turkey	Turkey	Aviation and other security services
CGHH	Hungary	Hungary	Ground handling services
Celebi Delhi Cargo	India	India	Warehouse and cargo services
Celebi GH Delhi	India	India	Ground handling services
Celebi Europe	Spain	Spain	Ground handling services

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY - 31 MARCH 2010 AND 2009

(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

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

Joint ventures:

The Company has the following joint ventures (the "Joint ventures"). The nature of the business of the Joint ventures and for the purpose of the consolidated financial statements, their respective geographical segments are as follows:

<u>Joint ventures</u>	<u>Country of incorporation</u>	<u>Geographical segment</u>	<u>Nature of business</u>
Çelebi IC Yatırım	Turkey	Turkey	Airport terminal construction and operating
Celebi Nas	India	India	Ground handling services

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

2.1. Basis of the Presentation

2.1.1 Financial Reporting Standards

The consolidated financial statements of the Group have been prepared in accordance with the accounting and reporting principles accepted by the Capital Markets Board ("CMB"), namely "CMB Financial Reporting Standards". CMB regulated the principles and procedures of preparation, presentation and announcement of financial statements prepared by the entities with the Communiqué No: XI-29, "Principles of Financial Reporting in Capital Markets" ("the Communiqué"). This Communiqué is effective for the annual periods starting from 1 January 2009 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 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, IAS 29, "Financial Reporting in Hyperinflationary Economies", issued by the IASB, has not been applied in the financial statements for the accounting periods starting 1 January 2005.

As the differences of the IAS/IFRS endorsed by the European Union from the ones issued by the IASB have not been announced by TASB as of the date of preparation of these consolidated financial statements, the consolidated financial statements have been prepared within the framework of Communiqué XI, No: 29 and related promulgations to this Communiqué as issued by the CMB in accordance with the accounting and reporting principles accepted by the CMB ("CMB Financial Reporting Standards") which are based on IAS/IFRS. The consolidated financial statements and the related notes to them are presented in accordance with the formats required at the announcements of CMB those numbered 2008/16, 2008/18, 2009/2, 2009/4 and 2009/40. As per CMB's Communiqué Serial XI, No:29 and its announcements clarifying this communiqué enterprises are obliged to present the hedging rate of their total foreign exchange liability and total export and import amounts in the notes to the financial statements (Note 28).

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY - 31 MARCH 2010 AND 2009

(Amounts expressed in Turkish Lira (“TL”) unless otherwise indicated.)

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

The Company maintains its books of account and prepares its statutory financial statements in accordance with the Turkish Commercial Code (“TCC”), tax legislation and the Uniform Chart of Accounts issued by the Ministry of Finance and accounting principles issued by the CMB. The foreign Subsidiaries maintain their books of account 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.

The consolidated financial statements have been prepared in Turkish lira (“TL”) which is functional currency of the Group based on the historical cost conversion except for the financial assets and liabilities which are expressed with their fair values.

Functional and Presentation Currency

Items included in the financial statements of each of the Group’s entities are measured using the currency of the primary economic environment in which the entity operates (‘the functional currency’). The consolidated financial statements are presented in TL, which are the functional currency of the Company and the presentation currency of the Group. Group prepared consolidated financial statements in accordance with the going concern assumption.

Translation of Financial Statements of Foreign Subsidiaries and Joint Ventures Operating in Foreign Countries

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

2.1.2 Amendments in International Financial Reporting Standards (“IFRS”)

a) Standards, amendments and interpretations applied by the Group:

The Group has applied the amendments, interpretations and new standards as of 1 January 2009.

- IFRS 7 ‘Financial instruments - Disclosures’ (amendment) - (effective 1 January 2009) The amendment requires enhanced disclosures about fair value measurement and liquidity risk. In particular, the amendment requires disclosure of fair value measurements by level of a fair value measurement hierarchy. As the change in accounting policy only results in additional disclosures, there is no impact on earnings per share.
- IAS 1 (revised). “Presentation of financial statements”, (effective from 1 January 2009). Entities can choose whether to present one performance statement (the statement of comprehensive income) or two statements (the income statement and statement of comprehensive income). The Group has chosen to present two statements.

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

- IAS 23 (Amendment), “Borrowing costs” (effective for the qualifying assets which capitalisation of the assets starting on or after 1 January 2009). The amendment requires an entity to capitalise borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset (one that takes a substantial period of time to get ready for use or sale) as part of the cost of that asset. This amendment has been prepared in accordance with the transition provisions in the scope of harmonisation with IAS 23 “Borrowing Costs” (2007), the comparable financial statements of the previous period will not be re-arranged. Due there is no qualifying asset of the Group, it is not expected to have a material impact on the Group’s financial statements.
- IAS 16 (Amendment), “Property, plant and equipment” - (effective for the reporting periods beginning on or after 1 January 2009).
- IAS 36 (Amendment), “Impairment of assets” - (effective for the reporting periods beginning on or after 1 January 2009). Amendment is oriented to disclosing of management’s estimations used at calculation of fair value of assets.
- IFRS 8 (Revised), “Operating Segments” - (effective for the reporting periods beginning on or after 1 January 2009). The explanations related with IFRS 8, “Operating Segments” are stated at Note-3, Segment Reporting.

The standards, amendments and interpretations to existing standards those are effective as of 1 January 2009 excluding mentioned above are not listed since those are not related with the Group’s activities.

b) Standards, amendments and interpretations to existing standards that are not yet effective in 2009 and have not been early adopted by the group:

The standards, amendments and interpretations mentioned below are not effective for the accounting periods beginning on or after 1 January 2010 and have not been applied by the Group.

- IFRS 3 (Revised), “Business combinations”, (effective for the reporting periods beginning on or after 1 July 2009). The revised standard continues to apply the acquisition method to business combinations, with some significant changes. For example, all payments to purchase a business are to be recorded at fair value at the acquisition date, with contingent payments classified as debt subsequently re-measured through the income statement. There is a choice on an acquisition-by-acquisition basis to measure the non-controlling interest in the acquiree at fair value or at the non-controlling interest’s proportionate share of the acquiree’s net assets. All acquisition-related costs should be expensed. The group will apply IFRS 3 (revised) prospectively to all business combinations from 1 January 2010.
- IAS 38 (Amendment), “Intangible Assets”. The amendment is part of the IASB’s annual improvements project published in April 2009. The amendment clarifies guidance in measuring the fair value of an intangible asset acquired in a business combination and it permits the grouping of intangible assets as a single asset if each asset has similar useful economic lives. The amendment will not result in a material impact on the group or company’s financial statements. The Group will apply IAS 38 (amendment) from the date IFRS 3 (revised) is adopted.

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

- IAS 38 (Amendment) “Intangible Assets”, (effective for the reporting periods beginning on or after 1 January 2010). Amendments have been made to paragraphs 40 and 41 of IAS 38 to clarify the description of valuation techniques commonly used by entities when measuring the fair value of intangible assets acquired in a business combination that are not traded in active markets. It is not expected to have a material impact on the Group’s financial statements.
 - IAS 36 (Revised), “Impairment of Assets”, Amendment clarifies that the largest cash generating unit (or group of units) to which goodwill should be allocated for the purposes of impairment testing is an operating segment.
 - IAS 7 (Revised), “Statements of cash flows”, (effective for the reporting periods beginning on or after 1 January 2010). Amendment requires that only expenditures that result in a recognised asset in the statement of financial position can be classified as investing activities. It is not expected to have a material impact on the Group’s statements of cash flows.
 - IAS 39 (Amendment), Financial instruments: “Recognition and measurement” - Hedging activities, (effective for the reporting periods beginning on or after 1 July 2009 and is applied retrospectively). Due there is no hedging activities of the Group, it is not expected to have a material impact on the Group’s financial statements.
 - IAS 32 (Amendment), “Financial Instruments: Presentation”, (effective for the reporting periods beginning on or after 1 February 2010). It is not expected to have a material impact on the Group’s financial statements.
 - IAS 24, (Amendment), “Related party disclosures”, (effective for the reporting periods beginning on or after 1 January 2011). As the change in accounting policy only results in additional disclosures, there is no impact on earnings per share.
 - IFRS 9, “Financial Instruments”, (issued at November 2009 and effective for the reporting periods beginning on or after 1 January 2013).
 - Improvements of International Financial Reporting Standards (issued at April 2009 and effective for the reporting periods beginning on or after 1 July 2009; amendments to IFRS 2, IAS 38, IFRIC 9 and IFRIC 16; effective for the reporting periods beginning on or after 1 January 2010; amendments to IFRS 5, IFRS 8, IAS 1, IAS 7, IAS 17, IAS 36 and IAS 39). The impacts of the amendments mentioned above are evaluated and it is not expected to result in a material impact on the Group’s financial statements.
- c) New Standards, amendments and interpretations to existing standards are not yet effective in 2009 and not related with the Group’s activities:**
- IFRS 5 (revised), ‘Measurement of non-current assets (or discontinued operations) classified as held-for-sale’. The amendment is part of the IASB’s annual improvements project published in April 2009. The amendment provides clarification that IFRS 5 specifies the disclosures required in respect of non-current assets (or disposal groups) classified as held for sale or discontinued operations. It also clarifies that the general requirement of IAS 1 still apply, particularly paragraph 15 (to achieve a fair presentation) and paragraph 125 (sources of estimation uncertainty) of IAS 1. The group and company will apply IFRS 5 (revised) from 1 January 2010. It is not expected to have a material impact on the Group’s financial statements.

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

IFRS 1(amendment), ‘Presentation of Financial Statements’. The amendment published under the development project by IASB in April 2009 clarified that the liabilities paid by capital instruments have no jurisdiction over the liability in terms of short-long term presentation. With the amendment made to the definition of ‘short-term’ the clause enables the classification of liability as long-term(if the company has the right to postpone the liability for a period of 12 months by transferring cash and cash-equivalents. Group is pledged to implement the amendment as of 1 January 2010. It is not expected to observe any effect of the amendment to the financials statements of the company.

- IFRS 2 (amendment), “Group cash-settled and share-based payment transactions”. In addition to incorporating IFRIC 8, ‘Scope of IFRS 2’, and IFRIC 11, ‘IFRS 2 – Group and treasury share transactions’, the amendments expand on the guidance in IFRIC 11 to address the classification of group arrangements that were not covered by that interpretation. The new guidance is not expected to have a material impact on the Group’s financial statements.
- IFRS 2 (Revised), “share-based payment transactions” (effective for the reporting periods beginning on or after 1 July 2009). Amendment confirms that, in addition to business combinations as defined by IFRS 3(revised), ‘Business combinations’, contributions of a business on formation of a joint venture and common control transactions are excluded from the scope of IFRS 2, ‘Share-based payment’. It is not expected to have a material impact on the Group’s financial statements.
- IFRIC 17, ‘Distribution of non-cash assets to owners’ (effective on or after 1 July 2009). The interpretation is part of the IASB’s annual improvements project published in April 2009. This interpretation provides guidance on accounting for arrangements whereby an entity distributes non-cash assets to shareholders either as a distribution of reserves or as dividends. IFRS 5 has also been amended to require that assets are classified as held for distribution only when they are available for distribution in their present condition and the distribution is highly probable. The group and company will apply IFRIC 17 from 1 January 2010. It is not expected to have a material impact on the Group’s financial statements.
- IFRIC 9 (Revised), “Reassessment of embedded derivatives” (Effective for periods ending on or after 30 June 2009). Due there is no embedded derivatives of the Group, it is not expected to have an impact on the Group’s financial statements.
- IFRIC 9 and IFRS 3 (Revised) (Effective for periods beginning on or after 1 July 2009).The IASB amended the scope paragraph of IFRIC 9 to clarify that it does not apply to possible reassessment, at the date of acquisition, to embedded derivatives in contracts acquired in a combination between entities or businesses under common control or the formation of a joint venture.
- IFRIC 18, “Transfers of assets from customers” (effective for annual periods beginning on or after 1 July 2009) It is expected that the application of the standards and the interpretations above will not have an effect on the consolidated financial statements of the Group.
- IAS 17 (Revised) “Leases” (Annual periods beginning on or after 1 January 2010. Earlier adoption is permitted.) Since there is no significant leased asset of the Group, it is expected that the application of the standards and the interpretations above will not have an effect on the consolidated financial statements.

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

- IAS 39 (Revised), "Financial instruments: Recognition and measurement" (Annual periods beginning on or after 1 January 2010.) There are amendments related for excluding business combination contracts and cash flow hedge accounting. It is expected that the application of the standards and the interpretations above will not have an effect on the consolidated financial statements of the Group.
- IFRIC 16, "Hedges of net investment in a foreign operation", (Annual periods beginning on or after 1 July 2009) It is expected that the application of the standards and the interpretations above will not have an effect on the consolidated financial statements of the Group.

2.1.3 Basis of Consolidation

Basis of Consolidation

- a) The consolidated financial statements include the accounts of the parent company, Çelebi Hava, its Subsidiaries and its Joint ventures (collectively referred to as the "Group") on the basis set out in sections (b), to (f) 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 have been prepared in accordance with CMB Financial Reporting Standards applying uniform accounting policies and presentation. The results of Subsidiaries and Joint ventures are included or excluded from their effective dates of acquisition or disposal respectively.
- b) Subsidiaries are companies over which the Company has capability to control the financial and operating policies for the benefit of the Company, through the power to exercise more than 50% of the voting rights relating to shares in the companies owned directly and indirectly by itself having the power to exercise control over the financial and operating policies.

The table below sets out all Subsidiaries and demonstrates their shareholding structures:

<u>Subsidiary</u>	Direct and indirect shareholding by Çelebi Hava and it's Subsidiaries (%)	
	<u>31 March 2010</u>	<u>31 December 2009</u>
Çelebi Güvenlik	94,8	94,8
CGHH	70,0	70,0
Celebi Delhi Cargo (*)	74,0	-
Celebi GH Delhi (**)	74,0	-
Celebi Europe (**)	100,0	-

(*) As of 31.12.2009 Celebi Delhi Cargo has directly and indirectly 74% voting right. However until 31 December 2009 Celebi Delhi Cargo has not been consolidated in consolidated financial statements by reason of being immaterial for the consolidated financial statements. Thus Celebi Delhi Cargo has been accounted in marketable securities. Due to completion of the organization and by reason of taking into consideration increasing of total assets for the first time Celebi Delhi Cargo has been consolidated in consolidated financial statements as of 31 December 2009 (Note 6).

(**) As of 31 March 2010 the Group holds a total of %74 and %100 direct voting rights over Celebi GH Delhi and Celebi Europe respectively. However as the subsidiaries have not started their operations they are not consolidated over cost but accounted and presented in the financial statements as assets held for sale (Note 6).

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

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

Subsidiaries are consolidated from the date on which control is transferred to the Group and are no longer consolidated from the date that control ceases. Where necessary, accounting policies of Subsidiaries have been changed to ensure the consistency with the policies adopted by the Group.

- c) Foreign Subsidiaries' assets and liabilities are translated into TL from the foreign exchange rate at the balance sheet date and income and expenses are translated into TL at the average foreign exchange rate. Exchange differences arising from the retranslation of the opening net assets of foreign undertakings and differences between the average and balance sheet date rates are included in the "cumulative translation differences" under the equity.
- d) The minority shares in the net assets and operating results of Subsidiaries are separately classified in the consolidated balance sheets and statements of income as "minority interest".
- e) Joint ventures are companies in respect of which there are contractual arrangements through which an economic activity is undertaken subject to joint control by Çelebi Hava Servisi and one or more other parties. The Group's interest in joint ventures is accounted for by way of proportionate consolidation. According to 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.

	Direct and indirect shareholding by Çelebi Hava (%)	
<u>Joint Ventures</u>	31 March 2010	31 December 2009
Çelebi IC Yatırım	%49,99	%49,99
Celebi Nas (*)	%51,00	%51,00

- (*) As of 30 June 2009 Celebi Nas has directly and indirectly %51 voting right. However until 30 June 2009 Celebi Nas has not been consolidated in consolidated financial statements by reason of being immaterial for the consolidated financial statements. Thus Celebi Nas has been accounted in marketable securities. Due to completion of the organization and by reason of taking into consideration increasing of total assets for the first time Celebi Nas has been consolidated in consolidated financial statements as of 30 June 2009.

- f) In preparing the consolidated financial statements, all balances and unrealised revenues resulting from intercompany transactions have been eliminated. Unrealized revenue transactions with the joint ventures have been eliminated by the rate of the controlling power of the Group over the Affiliate. Dividends from the shares the Company owns have, also been eliminated from the related equity and income statement accounts.

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

2.2. Changes in the Accounting Policies

Significant changes in accounting policies or significant errors are corrected, retrospectively; by restating the prior period consolidated financial statements. There are no important changes in the accounting policies for the period of 1 January - 31 March 2010.

2.3. Changes and Errors in the Accounting Estimates

The effect of changes in accounting estimates affecting the current period is recognized in the current period; the effect of changes in accounting estimates affecting current and future periods is recognized in the current and future periods.

2.4. Summary of Significant Accounting Policies

The significant accounting policies applied in the preparation of these consolidated financial statements are summarized below. These accounting policies are applied on a consistent basis for the comparative balances and results, unless otherwise indicated.

2.4.1 Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits at banks and highly liquid short-term investments, with maturity periods of less than three months, which has insignificant risk of change in fair value.

2.4.2 Revenue

Revenues are the invoiced values of trading goods sold and services given. Revenues are recognized on an accrual basis at the time the Group sells a product to the customer, the amount of revenue can be measured reliably and it is probable that the economic benefits associated with the transaction will flow to the Group at the fair value of considerations received or receivable. Net sales represent the invoiced value of trading goods sold and services given less sales returns, discount and commissions. Rent income is recorded on an accrual basis, while interest income is recorded on an effective interest yield method basis. Dividend income is recorded as income as of the collection right transfer date.

Passenger service income was recognized on an accrual basis, invoiced over amounts determined per traveler with reference to the service contracts to the airport firms or their representatives for the services rendered to the passengers going abroad from the terminal. In accordance with the "Antalya Airport 2nd International Terminal construction, management and transfer agreement" signed between Çelebi IC Yatırım and DHMI and also with the conditions of the contract, the DHMI committed to the foreign lines service revenue from 1.987.734 passengers and agreed USD15 per person as the foreign line passenger service price. After reaching the guaranteed passenger number in one operating year, the remainder of the passenger income will be transferred to the DHMI.

According to the concession agreement signed by Celebi Delhi Cargo and Delhi International Airport Private Limited ("DIAL") on 24 August 2009, 36% of the income is generated from the operation of the cargo terminal in the airport in New Delhi for 25 years, belongs to DIAL and this amount is indicated in the consolidated financial statements by netting off against the sales income of Celebi Delhi Cargo (Note 18).

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

According to the concession agreement signed by Celebi Nas and Mumbai International Airport Private Limited ("MIAL") on 14 November 2008, 15% of the income is generated from the airport ground services provided in the airport in Mumbai for 10 years, belongs to MIAL and this amount is indicated in the consolidated financial statements by netting off against the sales income of Celebi Nas (Note 18).

2.4.3 Property, plant and equipment

Property, plant and equipment are stated at cost less depreciation, restated to the equivalent purchasing power at 31 December 2004 for the items purchased before 1 January 2005 and stated at cost less depreciation for the items purchased after 1 January 2005. Depreciation is provided on restated amounts of property, plant and equipment using the straight-line method based on the estimated useful lives of the assets.

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

	<u>Useful Lives (Years)</u>
Machinery and equipment	5-20
Motor vehicles	5
Furniture and fixtures	5
Leasehold improvements	over period of lease (*)

(*) Leasehold improvements include the expenses made for the leased properties and are depreciated over the shorter of the lease term and their useful lives.

Depreciation is provided for assets when they are ready for use. Depreciation continues to be provided on assets when they become idle.

Gains or losses on disposals of property, plant and equipment are determined by comparing the carrying amount at financial statements and collected amount and included in the related income or expense accounts, as appropriate.

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 recognized 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. The recoverable amount of the property, plant and equipment is the higher of future net cash flows from the utilization of this property, plant and equipment or fair value less cost to sell.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits with the item will flow to the company. Repairs and maintenance are charged to the statements of income during the financial year in which they are incurred.

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

2.4.4 Intangible Assets

Intangible assets are comprised of trademark licences, patents, Build-Operate-Transfer investments, customer relations and computer software (Note 12).

a) *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 at the date of acquisition. Goodwill on acquisitions of subsidiaries is included classified in 'intangible assets'. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose identified according to operating segment.

b) *Contractual customer relationships*

Contractual customer relationships acquired in a business combination are recognized at fair value at the acquisition date. The contractual customer relations have a finite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method over the expected life of the customer relationship.

c) *Computer software (Rights)*

Rights arising on computer software are recognized at its acquisition cost. Computer software is amortised on a straight-line basis over their estimated useful lives and carried at cost less accumulated amortization. The estimated useful life of computer software is 5 years. Costs associated with maintaining computer software programmes are recognized as an expense as incurred. Development costs previously recognized as an expense are not recognized as an asset in a subsequent period.

d) *Build-Operate-Transfer Investments*

The amortisation of the leasehold improvements related with the construction of the terminal has been conducted using the straight-line method based on the operation period of the terminal.

Çelebi IC Yatırım
Çelebi Delhi Cargo

54 months
25 years

Borrowing costs that are directly attributable to the build-operate-transfer investment are capitalised as part of the cost of that asset, if the amount of costs can be measured reliably and it is probable that the economic benefits associated with the qualifying asset will flow to the Group.

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

2.4.5 Inventories

Inventories are valued at the lower of cost or net realisable value less costs to sell. Cost of inventories is comprised of the purchase cost and the cost of bringing inventories into their present location and condition. Cost is determined by the monthly moving weighted average method. The cost of borrowings is not included in the costs of inventories. Net realisable value less costs to sell is the estimated selling price in the ordinary course of business, less the estimated costs necessary to make the sale (Note 10).

2.4.6 Impairment of Assets

At each reporting date, the Group assesses whether there is any indication that an asset other than deferred tax asset, intangible assets with indefinite useful lives, financial assets at fair value and goodwill may be impaired. When an indication of impairment exists, the Group estimates the recoverable values of such assets. Impairment exists if the carrying value of an asset or a cash generating unit is greater than its recoverable amount which is the higher of value in use or fair value less costs to sell. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit. An impairment loss is recognized immediately in profit or loss. A cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash flows from other assets or group of assets

An impairment loss recognized in prior period for an asset is reversed if the subsequent increase in the asset's recoverable amount is caused by a specific event since the last impairment loss was recognized. Such a reversal amount cannot be higher than the previously recognized impairment loss and shall not exceed the carrying amount that would have been determined, net of amortisation or depreciation, had no impairment loss been recognized for the asset in prior years. Such a reversal is recognized as income in the consolidated financial statements.

2.4.6 Financial Liabilities and Borrowing Costs

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

International Accounting Standard 23 ("Borrowing Costs") was revised on 29 March 2007 by the IASB. Besides, the revised IAS 23 is effective at 1 January 2009, yet voluntary early transition to the application right is reserved. The Group opted for early adoption and changed its accounting policy, choosing the policy envisaged in IAS 23 related to borrowing costs since 1 January 2007. Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset in the period in which the asset is prepared for its intended use or sale. All other borrowing costs are charged to the income statement when they are incurred.

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

2.4.8 Financial Instruments

Trade receivables

Trade receivables that are created by way of providing goods or services directly to a debtor are carried at amortised cost (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. 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

Financial assets

Financial assets are initially recognized in the consolidated financial statements at their acquisition costs including the operational costs. Investments 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 in accordance with the requirements of IAS 39, "Financial Instruments". These are included in non-current assets unless management has the express intention of holding the investment for less than 12 months from the balance sheet date or unless they will need to be sold to raise operating capital, in which case they are included in current assets. Management determines the appropriate classification of its investments at the time of the purchase and re-evaluates such designation on a regular basis.

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. In the case of financial assets classified as available for sale, a significant or prolonged decline in the fair value of the assets below its cost is considered as an indicator that the assets are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss - measured as the difference between the acquisition cost and the current fair value- is removed from "Financial Assets Fair Value Reserve" in equity and the remained amount recognized as loss in the comprehensive income statement of the period.

The unrealised gains and losses arising from changes in the fair value of available-for-sale securities are recognized in "Financial Assets Fair Value Reserve" in equity. Gains and losses previously recognized in "Financial Assets Fair Value Reserve" are transferred to the statement of income when such available-for-sale financial assets are derecognised.

Available-for-sale assets that do not have a quoted market price in active markets and whose fair value cannot be measured reliably, the fair value of these assets are determined by using valuation techniques. These valuation techniques include taking as a basis the current transactions compatible with market conditions and other similar investment tools and the discount cash flow analyses considering the conditions specific for the company invested in.

For investments as subsidiaries that are excluded from the scope of consolidation on the grounds of materiality where there is no quoted market price and where a reasonable estimate of fair value cannot be determined since other methods are inappropriate and unworkable, they are carried at cost less any impairment in value.

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

2.4.9 Trade Payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are recognized initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.4.10 Deferred Financial Income/Expense

Deferred financial income/expense represents financial income and expenses on credit sales and purchases. These, income and expenses are recognized using the effective yield method during the due date of the credit sales and purchases and disclosed under financial income and expenses.

2.4.11 Business Combinations and Goodwill

A business combination is the bringing together of separate entities or businesses into one reporting entity. Business combinations are accounted for using the purchase method in accordance with IFRS 3.

The cost of a business combination is allocated by recognising the acquiree's identifiable assets, liabilities and contingent liabilities at the date of acquisition. Goodwill has been recognized as an asset and has initially been measured as the excess of the cost of the combination over the fair value of the acquiree's assets, liabilities and contingent liabilities. In business combinations, the acquirer recognises identifiable assets (such as deferred tax on carry forward losses), intangible assets (such as trademarks) and/or contingent liabilities which are not included in the acquiree's financial statements at their fair values in the consolidated financial statements. The goodwill previously recognized in the financial statements of the acquiree is not considered as an identifiable asset.

Goodwill recognized as a result of business combinations is not amortised and its carrying value is tested for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired. Provisions for goodwill impairment loss are not cancelled at subsequent periods. Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose identified according to operating segment.

Any excess of the Group's share in the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of the business combination is accounted for as income in the related period.

In combinations involving entities under common control, assets and liabilities subject to a business combination are recognized at their carrying amounts in the consolidated financial statements. In addition, statements of income are consolidated from the beginning of the financial year in which the business combination takes place. Similarly, comparative consolidated financial statements are restated retrospectively for comparison purposes. As a result of these transactions, no goodwill is recognized. The difference arising in the elimination of the carrying value of the investment held and share capital of the acquired company is directly accounted as "effect of transactions under common control" under "Additional contribution to shareholders' equity related to merger".

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

Transactions with minority shareholders

The Group applies a policy of treating transactions with minority interests as transactions with equity owners of the Group. Regarding the purchases from minority interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded from equity. Gains or losses on disposals to minority interests are also accounted for in equity. For disposals to minority interests, differences between any proceeds received and the relevant share of minority interests are also accounted for in equity.

2.4.12 Foreign currency transactions

Transactions in foreign currencies during the period 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 the settlement and translation of foreign currency items have been included in the consolidated statements of income.

2.4.13 Earnings per Share

Earnings per share presented in the consolidated statement of income are determined by dividing consolidated net income attributable to that class of shares by the weighted average number of such shares outstanding during the year 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, the weighted average number of shares outstanding during the year has been adjusted in respect of bonus shares issued without a corresponding change in resources by giving them retroactive effect for the year in which they were issued and for each earlier period.

2.4.14 Subsequent events

The Group adjusts the amounts recognized in the consolidated financial statements to reflect the adjusting events after the balance sheet date. If non-adjusting events after the balance sheet date have material influences on the economic decisions of users of the financial statements, they are disclosed in the notes to the consolidated financial statements.

2.4.15 Provisions, contingent liabilities and contingent assets

The conditions which are required to be met in order to recognise a provision in the consolidated financial statements are those that the Group has a present legal or constructive obligation as 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 can be made of the amount of the obligation.

Where the effect of the time value of money is material, the amount of the provision shall be the present value of the expenditures expected to be required to settle the obligation. The discount rate reflects current market assessments of the time value of money and the risks specific to the liability. The discount rate shall be a pre-tax rate and shall not reflect risks for which future cash flow estimates have been adjusted.

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Liabilities or assets that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events which are not wholly within the control of the entity should not be recognized as liabilities or assets, however they should be disclosed as contingent liabilities or assets.

2.4.16 Leases

Financial leases

Assets acquired under finance lease agreements are capitalised at the inception of the lease at the fair value of the leased asset, net of grants and tax credits receivable, or at the present value of the lease payment, whichever is the lower. Lease payments are treated as comprising capital and interest elements, the capital element is treated as reducing the capitalised obligation under the lease and the interest element is charged as expense to the statement of income. Depreciation on the relevant asset is also charged to the statement of income over its useful life.

Operational leases

Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the consolidated statement of income on a straight-line basis over the period of the lease.

2.4.17 Related Parties

Shareholders who have control or common control on the Group, the companies or affiliates controlled by or affiliated to the shareholders, key management personnel and members of the board of directors, their families, the companies or affiliates controlled by or affiliated to them are deemed related parties in accordance with the aim of these consolidated financial statements (Note 26).

2.4.18 Segment Reporting

The operating segments are evaluated in parallel to the internal reporting and strategic sections presented to the organs or persons authorised to make decisions regarding the activities of the Group. The organs and persons authorised to make strategic decisions regarding the Group's activities with respect to the resources to be allocated to these sections and their evaluation are defined as the Group's senior managers of the Group. The Group's senior managers follow up the Group's activities on activity basis such as; ground handling services, airport security services, airport terminal operating and cargo and warehouse services (Note 4).

2.4.19 Discontinued Operations

According to International Financial Reporting Standard 5 ("IFRS 5") "Non-current Assets Held for Sale and Discontinued Operations", the discontinued operation is the part of an entity which either is classified as held-for-sale or has been disposed of and whose activities and cash flows can be treated as separable from the entity's activities and cash flows. Discontinued operations represent separate business or geographical segments, which are part of a plan to sell or dispose, or is a subsidiary acquired for selling.

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

Net assets of discontinued operations are measured at fair value less cost to sell. An analysis of the revenue, expenses and pre-tax profit or loss of discontinued operations, income tax expense of discontinued operations and the gain or loss recognized on the measurement to fair value less costs to sell or on the disposal of the assets or disposal groups constituting the discontinued operation are disclosed in the notes to the consolidated financial statements. Besides, the net cash flows attributable to the operating, investing and financing activities of discontinued operations are separately disclosed either in the notes or on the face of consolidated cash flows.

2.4.20 Government Incentives and Grants

Government incentives, including non-monetary grants at fair value, are included in the financial statements only if there is reasonable assurance that the Company will fulfill all required conditions and acquire the incentive.

2.4.21 Investment Property

Buildings held for rental yields 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 and any accumulated impairment losses. Investment properties are depreciated with the straight-line depreciation method over their useful lives that until 50 years.

Investment properties are reviewed for impairment losses. Where the carrying amount of the investment property is greater than the estimated recoverable amount, it is written down to its recoverable amount. The recoverable amount of the investment property is the higher of future net cash flows from the recognized of this investment property or fair value less cost to sell.

2.4.22 Taxes on Income

Current and deferred income tax

Taxes on income for the period comprise of current tax and the change in the deferred income taxes. Current taxes on income comprise tax payable calculated on the basis of expected taxable income for the period using the tax rates enacted at the balance sheet date and any adjustment in taxes payable for previous periods.

Deferred income tax is provided in full, using the liability method, on 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 at the balance sheet date (Note 24).

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

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

When the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority and there is a legally enforceable right to offset current tax assets against current tax liabilities, deferred tax assets and deferred tax liabilities are offset accordingly (Note 24).

2.4.23 Employee Benefits

Employment termination benefits, as required by the Turkish Labour Law and the laws applicable in the countries where the joint ventures operate, represent the estimated present value of the total reserve of the future probable obligation of the Group arising in case of the retirement of the employees, termination of employment without due cause, call for military service, be retired or death upon the completion of a minimum one year service. Provision which is allocated by using defined benefit pension's current value is calculated by using estimated liability method. All actuarial profits and losses are recognized in consolidated statements of income (Note 15).

2.4.24 Statement of Cash Flows

Cash flows during the period are classified and reported by main, investing and financing activities in the cash flow statements.

Cash flows from main activities represent the cash flows of the Group generated from airport ground handling services, airport construction and operating activities. Cash flows related to investing activities represent the cash flows that are used in or provided from the investing activities of the Group (fixed investments and financial investments). Cash flows arising from financing activities represent the cash proceeds from the financing activities of the Group and the repayments of these funds.

Cash and cash equivalents comprise cash on hand and bank deposits and short-term, highly liquid investments that are readily convertible to definite amounts of cash with maturities equal or less than three months and which are subject to an insignificant risk of changes in value (Note 5).

2.4.25 Dividends

Dividends receivable are recognized as income in the period when they are declared. Dividends payable are recognized as an appropriation of profit in the period in which they are declared.

2.4.26 Paid-in Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.4.27 Derivative financial instruments and hedging activities

Derivative financial instruments are subsequently measured at their fair values. The derivative instruments of the Group mainly consist of interest rate exchange and foreign exchange forward contracts.

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These derivative financial instruments, even though providing effective economic hedges under the Group risk management position, do not qualify for hedge accounting under the requirements of IAS 39, "Financial Instruments: Recognition and Measurement", and therefore are accounted for as derivatives held-for-trading in the consolidated financial statement.

Held-for-trading derivative financial instruments are initially recognized in the consolidated financial statements at cost and are subsequently remeasured at their fair value. Changes in the fair values of held-for-trading derivative financial instruments are included in the consolidated statements of income.

Derivative financial instruments are carried as assets when the fair value is positive and as liabilities when the fair value is negative in consolidated balance sheets

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The Group is utilizing observable market data at the valuation process (Note 27).

2.4.28 Comparatives and restatement of prior periods' financial statements

The consolidated financial statements of the Group include comparative financial information to enable the determination of the financial position and performance. The balance sheet of the Group at 31 March 2010 has been provided with the comparative financial information of 31 December 2009 and the statement of income, the statement of changes in equity and the statement of cash flows for the year ended 1 January-31 March 2010 have been provided with the comparative financial information, for the year ended 1 January-31 March 2009.

- Investment consultancy expenses: The "investment consultancy expenses" amounting to TL495.875 indicated in "Consultancy expenses" under "General Administration Expenses" in the income statement, dated 31 March 2010, is shown under "Other operating expenses" in the financial information presented in comparison with the balance sheet, dated 31 March 2009 (Note 21).

2.4.29 Offsetting

All items with significant amounts and nature, even with similar characteristics, are presented separately in the financial statements. Insignificant amounts are grouped and presented by means of items having similar substance and function. When the nature of transactions and events necessitate offsetting, presentation of these transactions and events over their net amounts or recognition of the assets after deducting the related impairment are not considered as a violation of the rule of non-offsetting. As a result of the transactions in the normal course of business, revenue other than sales are presented as net provided that the nature of the transaction or the event will qualify for offsetting.

2.4.30 Share premium

Share premium represents differences resulting from the sale of the Company's Subsidiaries' and Joint Ventures shares at a price exceeding the face value of those shares or differences between the face value and the fair value of shares issued for acquired companies.

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

2.5. Critical Accounting Estimates and Assumptions

The preparation of financial statements necessitates the use of estimates and assumptions that affect asset and liability amounts reported as of the balance sheet date, explanations of contingent liabilities and assets; and income and expense amounts reported for the accounting period. Although these estimates and assumptions are based on all management information related to the events and transactions, actual results may differ from them. The estimates and assumptions that may have a material adjustment to the carrying amounts of assets and liabilities for the next reporting period are outlined below:

(a) *Goodwill impairment tests*

As explained in Note 2.4.11, the Group performs impairment tests on goodwill annually at 31 December or more frequently if events or changes in circumstances indicate that it might be impaired. The recoverable amount of the cash generating unit has been determined based on the fair value less costs to sell calculations. These calculations include certain estimations and assumptions. As a result of the impairment tests performed with the use of the above assumptions, no impairment was detected in the goodwill amount as of 31 March 2010 (Note 13).

(b) *Impairment of intangible assets*

According to the accounting policy stated in Note 2.4.4., the intangible non-current assets are shown with their net value after the deduction of the accumulated depreciation, if any, and the value subtracted from the acquisition costs. As a result of the valuation studies performed at the purchase of 100% of CGHH shares, "Customer Relations" has been considered as an identifiable asset by the Group and shown under the intangible non-current assets. While the terms of the agreements signed by CGHH with its clients are either unlimited or for two to three years, it is seen that the clients continue the agreements for more than two to three years considering the average terms in the sector. The redemption and amortisation are determined as seven years according to these estimates; all the important clients of CGHH have continued to work with CGHH since the year it started operations in Budapest and no important level of decrease is expected in the existing market share of CGHH. Thanks to the positive developments in the operations of CGHH, no indicator has been noted relating to whether or not there is a decrease in the registered net book value of the intangible non-current assets which are defined as "Customer Relations" and whose useful life is determined as seven years (Note 12).

(c) *Provisions*

As explained in Note 2.4.15, provisions are recognized when the Group has a present legal or constructive obligation as a result of past events, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and when reliable estimate can be made of the amount of the obligation. In this context, the Group has evaluated the law suits and court cases opened against it at 31 March 2010 and for the ones where the Group estimates more than 50% probability of losing them necessary provisions are accounted for in the consolidated financial statements (Note 14 and Note 30).

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

(d) *Taxes on income*

As explained in Note 2.4.23, a provision is recognized for the current year tax liability based on the period results of the Group at the balance sheet date. Tax legislations in the Group's subsidiaries' and joint ventures' operating countries are subject to different manners of interpretation and subject to be altered frequently. Accordingly, the interpretation of tax implications regarding the operations of subsidiaries and joint ventures in foreign countries by the tax authorities may differ from the interpretation of the management. Consequently, the Group may encounter additional taxes, penalties and interests.

As of 31 March 2010, the Group has evaluated the possibility of any tax exposure that may arise in foreign subsidiaries and joint ventures and has not identified any necessity to recognize a provision.

(e) *Accounting of derivative financial instruments and hedging activities*

Derivatives are initially recognized at acquisition cost including the transaction fees on the date a derivative contract is entered into and are subsequently re-measured at their fair value. The derivative instruments of the Group mainly consist of interest rate exchange and foreign exchange forward contracts. The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The Group is utilizing observable market data at the valuation process.

(f) *Unused carry-forward tax losses*

Deferred tax asset is booked where there is a probability that a tax advantage can be gained in future periods. Despite of currency forward contract which has been made to deal with risks related to changes in market value of future forecasted cash flows of CGHH , foreign exchange losses caused by decrease in the value of Hungarian Forint against Euro due to ongoing financial crisis in Hungary and international markets has lead to the probability of inability to utilize carry-forward tax losses of CGHH amounted as of 31 March 2010 TL 18.891.845 (31 December 2009: TL 18.891.845) partly or completely in an identifiable period of time. Although there has been no expiry date for the utilization of carry-forward tax losses in the Hungarian Tax System, the Company has not accounted for deferred tax asset amounted as of 31 March 2010 to TL 3.778.369 (31 December 2009: TL 3.778.369).

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NOTE 3 - JOINT VENTURES

Shares in Joint Ventures

Çelebi IC Antalya Havalimanı Terminal Yatırım ve İşletme A.Ş. and Celebi Nas as described in Note 2 are the joint venture included in the consolidation by the way of proportionate consolidation. Financial information summary of the joint venture relating to balances included in the consolidated financial statements before the consolidation eliminations is as follows:

	31 March 2010	31 December 2009
Current assets	50.868.422	91.009.633
Non-current assets	30.137.355	29.310.641
Total assets	81.005.777	120.320.274
Current liabilities	8.924.435	23.350.333
Non-current liabilities	16.925.789	21.792
Shareholders' equity	55.155.553	96.948.149
Total liabilities and shareholders' equity	81.005.777	120.320.274

	31 March 2010	31 March 2009
Revenue - net	3.907.208	21.125.729
Gross profit	442.973	5.889.443
Operating profit	(361.153)	4.330.532
Net profit for the period	513.445	5.821.359

NOTE 4 - SEGMENT REPORTING

Management determines the operating segments based on the reports analyzed by the board of directors, and found effective in strategically decision taking.

Management is assessing the Group's performance on an operating segment basis; Ground Handling Services, Security Services, Terminal Construction and Management. Reportable operating segment revenues are Ground Handling Services, Security Services, Terminal Construction and Management and Cargo and Warehouse Services. The management assesses the performance of the operating segments based on a measure of EBITDA.

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NOTE 4 - SEGMENT REPORTING (Continued)

The segment information provided to the board of directors as of 31 March 2010 is as follows:

1 January - 31 March 2010

	Reportable Segments				Consolidation Adjustments	Consolidated
	Ground Handling Services	Airport Security Services	Airport Terminal Construction and Management	Cargo and Warehouse Services		
Revenue - net	42.685.502	1.188.635	-	18.711.908	(326.329)	62.259.716
Cost of sales	(36.296.049)	(977.674)	-	(10.033.672)	318.903	(46.988.492)
Gross profit	6.389.453	210.961	-	8.678.236	(7.426)	15.271.224
General administrative expenses	(11.391.076)	(261.222)	(31.900)	(1.623.447)	464.904	(12.842.741)
Addition: Depreciation and amortization	4.943.841	9.289	-	583.167	-	5.536.297
EBITDA	(57.782)	(40.972)	(31.900)	7.637.956	457.478	7.964.780

Sales between segments are carried out at arm’s length. The revenues from external parties are accounted consistently with reports, presented to the Board of Directors, in the consolidated income statement.

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NOTE 4 - SEGMENT REPORTING (Continued)

1 January - 31 March 2009

	Reportable Segments				Consolidation Adjustments	Consolidated
	Ground Handling Services	Airport Security Services	Airport Terminal Construction and Management	Cargo and Warehouse Services		
Revenue - net	38.689.019	2.602.470	10.561.597	3.660.218	(1.103.090)	54.410.214
Cost of sales	(33.565.356)	(1.830.201)	(7.617.229)	(3.223.355)	1.116.674	(45.119.467)
Gross profit	5.123.663	772.269	2.944.368	436.863	13.584	9.290.747
General administrative expenses	(8.793.456)	(256.858)	(793.034)	-	27.877	(9.815.471)
Addition: Depreciation and amortization	5.288.971	8.992	5.091.638	146.740	-	10.536.341
EBITDA	1.619.178	524.403	7.242.972	583.603	41.461	10.011.617

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NOTE 4 - SEGMENT REPORTING (Continued)

Reconciliation of EBITDA figure to income before tax is provided as follows:

	31 March 2010	31 March 2009
EBITDA for reported segments	7.964.780	10.011.617
Depreciation and amortisation	(5.536.297)	10.536.341
Other operating income	887.072	455.860
Other operating expenses (-)	(3.821.859)	(724.769)
Operating profit	(506.304)	(793.633)
Financial income	7.336.486	6.578.871
Financial expense (-)	(7.216.880)	(27.275.017)
Income before tax	(386.698)	(21.489.779)

The figures provided to the board of directors with respect to total assets and liabilities are measured in a manner consistent with that of the consolidated financial statements. These assets and liabilities are allocated based on the operations of the segment and the physical location of the asset.

<u>Total Assets</u>	31 March 2010	31 December 2009
Turkey	202.624.438	197.899.612
Hungary	64.662.353	70.364.119
India	68.462.793	73.291.722
Segment Assets (*)	335.749.584	341.555.453
Unallocated assets	77.587.639	60.060.282
Less: Inter-segment elimination	(68.669.546)	(74.046.218)
Total assets as per consolidated financial statements	344.667.677	327.569.517

(*) Total combined assets are generally formed of assets that are related with operations and do not include deferred income tax assets, time deposits.

<u>Total Liabilities</u>	31 March 2010	31 December 2009
Turkey	35.783.944	34.405.986
Hungary	10.373.709	12.143.844
India	12.197.963	42.741.567
Segment liabilities (*)	58.355.616	89.291.397
Unallocated liabilities	160.450.662	142.100.171
Less: Inter-segment elimination	(1.102.711)	(23.918.590)
Total liabilities as per consolidated financial statements	217.703.567	207.472.978

(*) Total combined liabilities are generally formed of liabilities that are related with operations and do not include tax provision, deferred income tax liabilities.

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NOTE 4 - SEGMENT REPORTING (Continued)

Geographical Segments

Geographical Analysis for the period 1 January - 31 March 2010

	Turkey	Hungary	India	Total Combined	Intersegment Adjustment	Total
Revenue	34.661.968	12.883.296	14.747.694	62.292.958	(33.242)	62.259.716
Cost of sales	(30.699.411)	(8.556.113)	(7.732.968)	(46.988.492)	-	(46.988.492)
Gross profit	3.962.557	4.327.183	7.014.726	15.304.466	(33.242)	15.271.224
General administrative expenses	(8.102.307)	(2.809.858)	(2.355.046)	(13.267.211)	424.470	(12.842.741)
Other operating income/ expense - net	(2.647.663)	47.998	56.106	(2.543.559)	(391.228)	(2.934.787)
Operating profit	(6.787.413)	1.565.323	4.715.786	(506.304)	-	(506.304)

Geographical Analysis for the period 1 January - 31 December 2009

	Turkey	Hungary	India	Total Combined	Intersegment Adjustment	Total
Revenue	41.739.299	12.670.915	-	54.410.214	-	54.410.214
Cost of sales	(35.637.815)	(9.481.652)	-	(45.119.467)	-	(45.119.467)
Gross profit	6.101.484	3.189.263	-	9.290.747	-	9.290.747
General administrative expenses	(7.788.571)	(2.027.430)	-	(9.816.001)	530	(9.815.471)
Other operating income/ expense - net	(225.842)	(42.537)	-	(268.379)	(530)	(268.909)
Operating profit	(1.912.929)	1.119.296	-	(793.633)	-	(793.633)

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NOTE 5 - CASH AND CASH EQUIVALENTS

	31 March 2010	31 December 2009
Cash	94.700	74.217
Banks		
- time deposit	77.331.482	59.879.331
- demand deposit	19.263.523	34.647.632
	96.689.705	94.601.180

Effective interest rates on TL, Euro, USD and INR denominated time deposits at 31 March 2010 are 8%, 1,99% ve 1,52 and 4% (31 December 2009: TL 7,84%, Euro 1,46%, USD 1,54%, Rupee 1,5%) respectively. The maturity days on TL, Euro and USD denominated time deposits as of 31 March 2010 1-10 days for TL, 1-14 for Euro and 1-17 days for USD and 12-20 for INR (31 December 2009: TL, Euro and USD 1-23 days, INR 1-7 days).

The analysis of cash and cash equivalents in terms of consolidated statements of cash flows at 31 March 2010 and 31 December 2009 is as follows:

	31 March 2010	31 December 2009
Cash and banks	96.689.705	43.931.392
Less: Interest Accruals	(68.618)	(125.144)
Less: Restricted cash (*)	(6.406.744)	-
	90.214.343	43.806.248

(*) TL 3.128.305 of the mentioned amount represents the collections from the clients kept in mandatory restricted accounts according to the concession agreements signed for the operation of the Cargo terminal in New Delhi Airport in India. (31 December 2009: 4.241.636) The remaining restricted cash of TL 3.278.439 is kept in the bank as the provision against the bank guarantee given by Çelebi IC Yatırım to DHMI. (31 December 2009: TL 3.244.394)

NOTE 6 - FINANCIAL INVESTMENTS

Available-for-sale assets:

	<u>31 March 2010</u>		<u>31 December 2009</u>	
	%	TL	%	TL
Çelebi GH Delhi	74%	19.751.546	-	-
Celebi Europe	100%	20.525	-	-
		19.772.071		-

As of 31 March 2010 Celebi Delhi Ground Handling and Celebi Europe has not been consolidated in consolidated financial statements by reason of being immaterial for the consolidated financial statements and as these subsidiaries have not started their operations their financials are accounted as assets held-for-sale.

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NOTE 7 - FINANCIAL LIABILITIES

Short-term financial liabilities:

	31 March 2010		
	Effective interest rate (%)	Original amount	TL
<i>Short-term bank borrowings:</i>			
TL borrowings	-	2.848.267	2.848.267
Euro borrowings	3,50%	6.000.000	12.313.800
			15.162.067

Short-term portion of long-term borrowings:

Interest expense accrual - US Dollar		249.568	379.717
Interest expense accrual - Euro		579.586	1.189.484
Interest expense accrual - INR		17.650.442	598.703
US Dollar borrowings	8,37%	5.500.000	8.368.250
Euro borrowings	7,45%	10.441.982	21.430.079
INR borrowings	12,50%	35.307.370	1.197.626
			33.163.859

Short-term finance lease obligations - US Dollar		51.213	77.921
--	--	--------	--------

Short-term financial liabilities **48.403.847**

Long-term financial liabilities:

US Dollar borrowings	10,00%	6.000.000	9.129.000
INR borrowings	11,05%	1.025.464.652	34.783.761
Euro borrowings	5,02%	31.660.977	64.977.823
			108.890.584

Long-term finance lease obligations - US dollar		102.531	156.001
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Long-term financial liabilities **109.046.585**

Total financial liabilities **157.450.432**

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NOTE 7 - FINANCIAL LIABILITIES (Continued)

	31 March 2010		31 December 2009	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Long-term financial liabilities	109.046.585	108.737.630	102.446.246	102.080.636

The fair value of current borrowings equals their carrying amount as the impact of discounting is not significant. The fair values are based on cash flows discounted using a rate based on the borrowing rate of %10,00 (31 December 2009: %10,00). The fair values of short-term bank borrowings are considered to approximate their carrying values

Short-term financial liabilities:

	31 December 2009		
	Effective interest rate (%)	Original amount	TL
<i>Short-term bank borrowings:</i>			
Euro borrowings	1,58%	2.000.000	4.320.600
			4.320.600

Short-term portion of long-term borrowings:

Interest expense accrual - Euro		102.407	221.229
Interest expense accrual - US Dollar		68.258	102.776
Interest expense accrual - INR		8.600.590	277.419
US Dollar borrowings	8,56%	5.500.000	8.281.350
Euro borrowings	7,56%	10.441.982	22.557.813
			31.440.587

Short-term finance lease obligations - US Dollar		62.745	94.475
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Short-term financial liabilities			35.855.662
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Long-term financial liabilities:

US Dollar borrowings	10,00%	6.000.000	9.034.200
INR borrowings	11,5%	771.500.000	24.885.337
Euro borrowings	6,46%	31.660.977	68.397.209
			102.316.746

Long-term finance lease obligations - US dollar		86.007	129.500
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Long-term financial liabilities			102.446.246
--	--	--	--------------------

Total financial liabilities			138.301.908
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NOTE 7 - FINANCIAL LIABILITIES (Continued)

The redemption schedule of borrowings according to their contractual repricing dates is as follows:

	31 March 2010	31 December 2009
Less than 3 months	4.065.373	4.344.219
Between 3-12 months	44.338.474	31.511.443
Between 1-5 years	109.046.585	102.446.246
	157.450.432	138.301.908

The redemption schedule of the long-term bank borrowings as of 31 March 2010 and 31 December 2009 is as follows

	31 March 2010	31 December 2009
2011	30.763.777	30.250.893
2012	18.149.937	16.480.646
2013	20.203.463	17.429.357
2014 and over	39.773.407	38.155.850
	108.890.584	102.316.746

The redemption schedule of the financial lease obligations as of 31 March 2010 and 31 December 2009 is as follows:

	31 March 2010			31 December 2009		
	Minimum lease payments	Interest	Total obligation	Minimum lease payments	Interest	Total obligation
Less than 1 year	92.511	(14.590)	77.921	113.485	(19.010)	94.475
1 to 2 years	113.942	(7.016)	106.926	112.747	(8.307)	104.440
2 to 3 years	13.748	(1.207)	12.541	22.887	(762)	22.125
4 years and over	40.300	(3.766)	36.534	3.073	(138)	2.935
	260.501	(26.579)	233.922	252.192	(28.217)	223.975

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NOTE 8 - TRADE RECEIVABLES AND PAYABLES

	31 March 2010	31 December 2009
Short-term trade receivables		
Trade receivables	27.556.000	24.599.556
Less: Provision for doubtful receivables	(2.521.451)	(2.377.172)
	25.034.549	22.222.384

The maturities of trade receivables are generally less than one month at 31 March 2010 (31 December 2009: less than one month). The fair value of current trade receivables as of 31 March 2010 and 31 December 2009 equals their carrying amount as the impact of discounting is not significant.

The Group's previous experience in the collection of receivables has been considered in the provisions booked. Therefore, the Group does not foresee any additional receivable risk for the possible collection losses.

Movement of provision for doubtful receivables is as follows:

	31 March 2010	31 December 2009
Opening balance	2.377.172	2.873.453
Current year charge	148.023	94.363
Cumulative translation differences	(3.744)	(2.637)
Collections and reversal of provisions	-	(262.894)
Write-off of uncollectible trade receivables	-	(325.113)
Closing balance	2.521.451	2.377.172

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NOTE 8 - TRADE RECEIVABLES AND PAYABLES (Continued)

Credit risks exposed by the Group for each financial instrument type as of 31 March 2010 and 31 December 2009 are shown below:

31 March 2010	<u>Trade receivables</u>		<u>Other receivables</u>		Bank deposits
	Related party	Other	Related party	Other	
The maximum of credit risk exposed at the reporting date	6.814.287	25.034.549	-	2.003.546	96.595.005
<i>- Credit risk covered by guarantees</i>	-	1.010.536	-	-	-
Net carrying value of financial assets either are not due or not impaired	6.509.472	18.146.841	-	2.003.546	96.595.005
Net carrying value of financial assets which are overdue but not impaired	304.815	6.887.708	-	-	-
<i>- Amount of risk covered by guarantees</i>	-	652.044	-	-	-
Net carrying value of impaired assets	-	-	-	-	-
<i>- Overdue (gross carrying value)</i>	-	2.521.451	-	-	-
<i>- Impairment amount (-)</i>	-	(2.521.451)	-	-	-
<i>- Amount of risk covered by guarantees</i>	-	-	-	-	-

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NOTE 8 - TRADE RECEIVABLES AND PAYABLES (Continued)

31 December 2009	Trade receivables		Other receivables		Bank deposits
	Related party	Other	Related party	Other	
The maximum of credit risk exposed at the reporting date	177.637	22.222.384	10.345.240	7.752.164	94.526.963
<i>- Credit risk covered by guarantees</i>	-	635.772	-	-	-
Net carrying value of financial assets either are not due or not impaired	23.208	17.796.224	10.345.240	7.752.164	94.526.963
Net carrying value of financial assets which are overdue but not impaired	154.429	4.426.160	-	-	-
<i>- Amount of risk covered by guarantees</i>	-	596.357	-	-	-
Net carrying value of impaired assets	-	-	-	-	-
<i>- Overdue (gross carrying value)</i>	-	2.377.172	-	-	-
<i>- Impairment amount (-)</i>	-	(2.377.172)	-	-	-
<i>- Amount of risk covered by guarantees</i>	-	-	-	-	-

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NOTE 8 - TRADE RECEIVABLES AND PAYABLES (Continued)

Aging which is prepared considering the overdue days of overdue receivables that are not impaired including receivables from related parties is as follows:

	31 March 2010	31 December 2009
Up to 1 month	3.575.403	3.077.774
1 to 3 months	1.666.570	556.408
3 to 12 months	1.597.378	864.984
1 to 5 years	353.172	81.423
	7.192.523	4.580.589

Aging of overdue receivables that are not impaired including receivables from related parties is as follows:

31 March 2010	Trade receivables	
	Related party	Other
Overdue 1-30 days	27.709	3.547.694
Overdue 1-3 months	199.438	1.467.132
Overdue 3-12 months	73.251	1.524.127
Overdue 1-5 years	4.417	348.755
Amount of risk covered by guarantees	-	652.044

31 December 2009	Trade receivables	
	Related party	Other
Overdue 1-30 days	-	3.077.774
Overdue 1-3 months	-	556.408
Overdue 3-12 months	152.030	712.954
Overdue 1-5 years	2.399	79.024
Amount of risk covered by guarantees	-	596.357

Short-term trade payables

	31 March 2010	31 March 2009
Trade Payables	14.872.354	14.421.523

The fair value of short-term trade payables as of 31 March 2010 and 31 December 2009 equals their carrying amount as the impact of discounting is not significant.

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NOTE 9 - OTHER RECEIVABLES AND PAYABLES

	31 March 2010	31 December 2009
Other short-term receivables		
Advances given (*)	666.477	6.790.516
Deposits and guarantees given	840.287	566.271
Receivables from Tax Office	472.072	306.071
Other short-term receivables	24.710	89.306
	2.003.546	7.752.164

(*) As of 31 March 2010, related amount consists of payments amounting to INR19.655.600 various payments made to Mumbai International Airport Limited (MIAL) on November 2008 in accordance with tender specifications and concession agreement. As of 31 December 2009, TL5.323.537 of TL6.790.516 consist of advances paid by Celebi IC Antalya Havalimanı Terminal Yatırım ve İşletme A.Ş. to its shareholder IC İçtaş İnşaat San. Ve Tic. A.Ş. with a 49,99% stake, and accrued interest relating to these advances. TL1.466.979 of related amount consists of payments comprised of cash guarantee payment (INR25.500.000) and other various payments (INR19.655.600) made to Mumbai International Airport Limited (MIAL) on November 2008 in accordance with tender specifications and concession agreement.

	31 March 2010	31 December 2009
Other short-term payables		
Capital advances received (*)	-	5.781.749
Other (**)	690.951	8.137.545
	690.951	13.919.294

(*) Related amount consists of capital advances received from Delhi International Airport Pvt. Ltd. which is the other partner of Celebi Delhi Cargo, the subsidiary of The Company in 2009.

(**) As of 31 December 2009 TL 4.372.692 of the mentioned amount consists of the borrowings received by Celebi NAS, Company's joint venture, from its other shareholders Sovika and Nas Aviation. TL 3.764.853 consists of the payables to DIAL, which is the other partner of Celebi Delhi Cargo, the subsidiary of the Company in India.

	31 March 2010	31 December 2009
Other long-term payables		
Deposits and guarantees received	346.446	332.319

NOTE 10 - INVENTORIES

	31 March 2010	31 December 2009
Trade goods	541.810	384.317
Other inventories	3.474.262	3.374.079
	4.016.072	3.758.396

Other inventories include fuel oil, baggage sticker, boarding passes, miscellaneous periodicals, clothes and spare parts.

The cost of inventories recognized as expense and included in "cost of sales" is amounted to 342.167 TL at 31 March 2010 (31 March 2009:91.792 TL).

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NOTE 11 - PROPERTY, PLANT AND EQUIPMENT

Movements in property, plant and equipment for the period ended 31 March 2010 are as follows:

	Opening 1 January 2010	Additions	Disposals	Transfers	Cumulative translation adjustments	Closing 31 March 2010
Cost						
Plant, machinery and equipment	136.689.154	818.135	(41.893)	47.129	494.039	138.006.564
Motor vehicles	21.253.687	-	(251.398)	-	(417.839)	20.584.450
Furniture and fixtures	13.652.338	392.765	(9.488)	-	(17.304)	14.018.311
Leasehold improvements (*)	74.441.639	1.893.880	-	1.863.845	7.735	78.207.099
Construction in Progress	127.947	5.969	-	-	6.830	140.746
Advances given (**)	1.927.803	60.871	-	(1.910.974)	3.202	80.902
	248.092.568	3.171.620	(302.779)	-	76.663	251.038.072
Accumulated depreciation						
Plant, machinery and equipment	(90.588.850)	(1.761.962)	14.532	-	(10.701)	(92.346.981)
Motor vehicles	(10.877.028)	(674.691)	67.106	-	201.787	(11.282.826)
Furniture and fixtures	(11.631.432)	(223.931)	9.488	-	17.867	(11.828.008)
Leasehold improvements (*)	(32.663.847)	(1.247.979)	-	-	(79)	(33.911.905)
	(145.761.157)	(3.908.563)	91.126	-	208.874	(149.369.720)
Net book value	102.331.411					101.668.352

(*) The land plots where the stations were constructed by Çelebi Hava Servisi A.Ş in the airports within which it operates were rented from the DHMI. The station buildings on this land were constructed by the Group and recorded under the tangible assets of the Group as leasehold improvements. As of 31 March 2009 the net book value of these stations was TL 37.414.964. The lease contract signed by the Group and the DHMI is valid for one year and the agreement is renewed every year. The agreement is renewed automatically. The Group amortizes these station buildings over 15 years which correspond to their economic lives. If the DHMI does not renew the lease contract within this period, the Group may have to amortize the relevant leasehold improvements over a shorter period

(**) Comprised of transfers to intangible assets.

For the period ended as at 31 March 2009, TL 1.109.246 of depreciation expense is included in operating expenses TL 2.799.317 of the depreciation is included in cost of sales. Plant, Machinery and Equipment includes financial leasing assets which have TL 620.349 net book value as of 31 March 2009.

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NOTE 11 - PROPERTY, PLANT AND EQUIPMENT (Continued)

Movements in property, plant and equipment for the period ended 31 March 2010 are as follows:

	Opening 1 January 2009	Additions	Disposals	Transfers (**)	Cumulative translation adjustments	Closing 31 March 2009
Cost						
Plant, machinery and equipment	124.111.791	85.173	(16.612)	(2.022.440)	(277.357)	121.880.555
Motor vehicles	20.773.498	-	(130.381)	-	(1.948.297)	18.694.820
Furniture and fixtures	13.178.621	34.501	-	(108.958)	(104.322)	12.999.842
Leasehold improvements (*)	66.333.945	1.556.194	(678)	2.131.398	-	70.020.859
Advances given	15.423	171.852	(31.411)	(76.708)	-	79.156
	224.413.278	1.847.720	(179.082)	(76.708) (**)	(2.329.976)	223.675.232
Accumulated depreciation						
Plant, machinery and equipment	(85.479.461)	(1.645.134)	14.666	1.953.127	84.687	(85.072.115)
Motor vehicles	(8.481.838)	(654.549)	128.024	-	625.520	(8.382.843)
Furniture and fixtures	(10.884.815)	(210.493)	1.096	107.924	60.913	(10.925.375)
Leasehold improvements (*)	(25.973.140)	(1.123.329)	21	(2.061.051)	-	(29.157.499)
	(130.819.254)	(3.633.505)	143.807	-	771.120	(133.537.832)
Net book value	93.594.024					90.137.400

(*) The land where the stations were constructed by Çelebi Hava Servisi A.Ş in the airports within which it operates were rented from the DHMI. The station buildings on this land were constructed by the Group and recorded under the tangible assets of the Group as leasehold improvements. As of 31 March 2009 the net book value of these stations was TL37.538.222. The lease contract signed by the Group and the DHMI is valid for one year and the agreement is renewed every year. The agreement is renewed automatically. The Group amortizes these station buildings over 15 years which correspond to their economic lives. If the DHMI does not renew the lease contract within this period, the Group may have to amortize the relevant leasehold improvements over a shorter period.

(**) Comprised of transfers to intangible assets.

For the period ended as at 31 March 2009, TL754.815 of depreciation expense is included in operating expenses TL2.878.690 of the depreciation is included in cost of sales. Plant, Machinery and Equipment includes financial leasing assets which have TL598.942 net book value as of 31 March 2009.

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NOTE 12 - INTANGIBLE ASSETS

Movements in intangible assets for the period ended 31 March 2010 are as follows:

	Opening 1 January 2010	Additions	Disposals	Transfers	Cumulative translation adjustments	Closing 31 March 2010
Cost						
Rights	558.605	-	-	-	-	558.605
Customer relations	31.621.494	-	-	-	(797.519)	30.823.975
Software	3.946.531	167.465	-	-	(9.273)	4.104.723
Build-operate-transfer investments	38.492.635	-	-	-	1.986.003	40.478.638
	74.619.265	167.465	-	-	1.179.211	75.965.941
Accumulated depreciation						
Rights	(536.080)	(1.828)	-	-	-	(537.908)
Customer relations	(14.384.938)	(1.106.628)	-	-	368.569	(15.122.997)
Software	(2.827.524)	(103.470)	-	-	6.784	(2.924.210)
Build-operate-transfer investments	(328.568)	(415.808)	-	-	(32.902)	(777.278)
	(18.077.110)	(1.627.734)	-	-	342.451	(19.362.393)
Net book value	56.542.155					56.603.548

(*)TL37.837.804 which is difference between discounted present value of deposite paid with interest rate,11.46%, and the deposit amounting to INR1,200,000,000, paid in accordance with the concession agreement on the development, modernisation, finance and 25-year operation of the cargo terminal in the airport in New Delhi, India, , has been capitalised as a Build-Operate-Transfer investment and it will be amortised in 25 years until operations end in Delhi International Airport.

Amortisation expense for the period ended 31 March 2010 in the amount of TL 461.949 and TL 1.165.785 are included in operating expenses and cost of sales.

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NOTE 12 - INTANGIBLE ASSETS (Continued)

Movements in intangible assets for the period ended 31 March 2009 are as follows:

	Opening 1 January 2009	Additions	Disposal	Transfers	Cumulative translation adjustments	Closing 31 March 2009
Cost						
Rights	555.958	-	-	-	-	555.958
Customer relations	32.240.377	-	-	-	(3.537.348)	28.703.029
Software	3.376.610	53.464	-	-	(67.429)	3.362.645
Build-operate-transfer investments (*)	87.856.923	31.272	-	76.708	-	87.964.903
	124.029.868	84.736	-	76.708	(3.604.777)	120.586.535
Accumulated depreciation						
Rights	(531.230)	(1.514)	-	-	-	(532.744)
Customer relations	(10.060.713)	(1.675.873)	-	-	1.754.605	(9.981.981)
Software	(2.379.656)	(136.476)	-	-	40.778	(2.475.354)
Build-operate-transfer investments	(72.655.691)	(5.088.973)	-	-	-	(77.744.664)
	(85.627.290)	(6.902.836)	-	-	1.795.383	(90.734.743)
Net book value	38.402.578					29.851.792

(*) The build-operate-transfer investment the net book value of which is TL 10.220.239 comprises of the advances and progress payments given to contracting firms which were capitalized as of 31 December 2009 related to the construction of Antalya Airport 2. International Terminal with respect to the terminal building operation and transfer processes between Çelebi IC Yatırım and the DHMI. The Group will depreciate the leasehold improvements related to the terminal building within the operating period of 54 months.

Amortisation expense for the period ended 31 March 2010 in the amount of TL 766.333 and TL 6.136.503 are included in operating expenses and cost of sales

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NOTE 13 - GOODWILL

Positive goodwill at 31 March 2010 and 31 December 2009 is as follows:

	31 March 2010	31 December 2009
Goodwill due to acquisition of CGHH	18.060.712	18.528.001

The Company participated in the tender offer on 7 August 2006 opened by the Budapest Airport Budapest Ferihegy Nemzetközi Repülöter Üzemeltetö Zartkörüen Müködö Reszvenytarsasag ("Ba Zrt") company resident in Budapest, Hungary for the acquisition of the Budapest Airport Handling Kereskedelmi es Szolgaltato Korlatolt Feleössegü Tarsasag ("BAGH") company that provides ground handling services at Budapest Airport and in which ("Ba Zrt") has a %100 share. The company was informed of winning the tender offer on 14 August 2006 and is participating in the Celebi Tanacsado Korlatolt Felelossegu Tarsasag" ("Celebi Kft.") company founded on 22 September 2006 as a founding shareholder for the realization of the abovementioned share transfer. The trade name of the company BAGH was changed to Celebi Ground Handling Hungary Földi Kiszolgáló Korlatolt Felelösségü Társaság ("CGHH") after the acquisition dated 26 October 2006.

After the studies of the independent valuation company named American Appraisal Hungary Ltd., fair value of the net assets of CGHH was determined to be TL31.287.893 as of 26 October 2006 and acquired by Celebi Kft at a price of TL49.448.419 which is the TL equivalent of 6.691.261 thousand Hungarian Forint (EUR25.593.870). The acquisition has been accounted for according to the clauses of IFRS 3 "Business Combinations" and the goodwill amounting to TL18.160.526 projected after the acquisition has been reflected in the financial statements at 31 December 2006. At 31 December 2006 after finalizing the completion statements the final purchase price of the Company has been determined to be less than the amount paid by TL827.657.

The goodwill resulting from the acquisition of CGHH arises from the difference between the fair values and purchasing values at the purchase date of the identifiable assets, liabilities and contingent liabilities belonging to CGHH. It is assumed that there is no impairment as of 31 December 2007 related to the goodwill amount arising from this purchase since the transaction was realised at a time close to the balance sheet date, and the purchase price was determined through a sealed tender. Goodwill details relating to the acquisition of CGHH are below:

Acquisition amount	49.448.419
Less: Fair values of assets, liabilities and contingent liabilities	(31.287.893)
Final purchase price adjustment	(827.657)
Currency translation adjustment	727.843
Goodwill	18.060.712

Impairment tests for goodwill

The whole amount of goodwill is related to the acquisition of BAGH company by Celebi Kft at 26 October 2006. Due to this acquisition, all assets and liabilities of Celebi Kft have been taken over by CGHH. The Group management considers the synergy to be created by the important market position of CGHH at Hungary with Çelebi Hava as the main reason for the goodwill. Accordingly, the Group management allocated the said goodwill amount to CGHH, which is the only one cash generating unit.

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NOTE 13 - GOODWILL (Continued)

The recoverable amount of the cash generating unit has been determined based on the fair value less costs to sell calculations. Those calculations are based on discounted net cash flow after tax projections which are based on the Group's ten-year business plans. Those projections are calculated the growth rate expected to be realized after ten years is assumed to be 2%. The fair value of Euro amount is calculated in terms of Hungarian Forint which valuated with the exchange rates at the balance sheet date. Thus, the fair value model is affected from the fluctuations at currency markets. If all other variables had remained constant as of 31 December 2009, the change of Euro against Hungarian Fronti 10% causes a change of TL4.399 thousand in the said fair value calculations.

Other assumptions used in fair value calculation model are as follows:

Gross profit margin	%28
Discount rate	%11,8

The group management determined the budgeted gross profit margin by taking into consideration the previous performance of the company and the market growth expectations. The weighted average growth rates used are inline with the estimations stated at industry reports. The discount rate used is the before-tax discount rate and includes the company-specific risks.

As a result of the impairment tests performed under above assumptions, no impairment was detected in the goodwill amount as of 31 March 2010.

NOTE 14 - PROVISIONS, COMMITMENTS, CONTINGENT ASSETS AND LIABILITIES

	31 March 2010	31 December 2009
Short-term provisions		
Provision for investment consultancy (*)	6.443.553	3.440.525
Accrued sales commissions	1.754.528	1.290.979
Provision for unused vacation	1.279.660	1.266.815
DHMI agreement depreciation provision (**)	963.588	-
Provision for litigation	520.435	444.475
Provision for borrowing commission expenses	339.200	596.732-
Other (**)	1.196.179	1.017.028
	12.497.143	8.056.554

(*) The aforementioned provisions arise from the fees for the services received in the scope of the investments made via tenders participated in abroad by Celebi Hava in 2008 and 2009.

(**) Other provisions are comprised of electricity, security and cargo services rendered by the Group.

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NOTE 14 - PROVISIONS, COMMITMENTS, CONTINGENT ASSETS AND LIABILITIES (Continued)

Movements of short term provisions as of 31 March 2010 are as follows:

	Provision for investment consultancy	Provision for unused vacation	Accrued sales commissions	Provision for borrowing commission expense	Provision for litigation	DHMI agreement depreciation provision	Other Provisions	Total
1 January 2010	3.440.525	1.266.815	1.290.979	596.732	444.475	-	1.017.028	8.056.554
Increase during the period	3.134.290	506.498	911.137	339.200	79.498	2.482.629	1.276.468	8.729.720
Payments during the period	(161.634)	(47.787)	-	(626.965)	(3.538)	(1.519.041)	(1.138.792)	(3.497.757)
Usage during the period	-	(445.866)	(447.588)	30.233	-	-	41.475	(821.746)
Exchange difference	30.372	-	-	-	-	-	-	30.372
31 March 2010	6.443.553	1.279.660	1.754.528	339.200	520.435	963.588	1.196.179	12.497.143

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**NOTE 14 - PROVISIONS, COMMITMENTS, CONTINGENT ASSETS AND LIABILITIES
(Continued)**

Contingent assets and liabilities of the Group	31 March 2010	31 December 2009
Guarantees received:		
Guarantee letters	2.233.651	2.246.206
Guarantee notes	2.329.124	1.737.198
Guarantee cheque	1.262.842	1.271.469
	5.825.617	5.254.873
Guarantees given:		
Guarantee letters	25.449.555	26.547.234
Collateral	99.570.518	99.923.175
Share pledge	7.486.904	5.551.000
	-	-
	132.506.977	132.021.409

The Company has contingent assets amounting to TL1.939.453 due to the legal cases in favour of the Company and contingent liabilities amounting to TL62.331.399 due to the legal cases and enforcement proceedings against the Company as of 31 March 2010. TL61.771.714 portion of contingent liabilities are comprised of legal cases and enforcement proceedings related with the fire in warehouse (Note 30) in which Company is a sole defendant and co-defendant with the DHMI, other warehouse management companies and insurance companies.

The details of collaterals, pledges and mortgages ("CPM") of the Company at 31 March 2010 and 31 December 2009 are as follows:

Collaterals, pledges and mortgages given by the Company	31 March 2010	31 December 2009
A. CPM given on behalf of the Company's legal personality	8.252.959	8.631.750
B. CPM given on behalf of fully consolidated subsidiaries	102.619.852	99.989.750
C. CPM given for continuation of its economic activities on behalf of third parties	-	-
D. Total amount of other CPM	21.142.500	21.642.500
i. Total amount of CPM given on behalf of the majority shareholder	21.142.500	21.142.500
ii. Total amount of CPM given to on behalf of other group companies which are not in scope of B and C	-	500.000
iii. Total amount of CPM given on behalf of third parties which are not in scope of C	-	-
	132.015.311	130.264.000

The ratio of other collaterals, pledges and mortgages given by the Company to equity of the Company is 543% as of 31 March 2010 (31 December 2009: %536).

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NOTE 15 - EMPLOYEE BENEFITS

(*) Upon the expiry of Çelebi IC at 30 September 2009 due to transfer to DHMI, employment termination benefits to be paid are classified in the short term.

Long term provisions

Provision for employee termination benefits	6.634.382	6.080.473
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Provision for employment termination benefits is booked according to the explanations below. There are no agreements for pension commitments other than the legal requirement as explained below.

Under the Turkish Labour Law, the Group is required to pay termination benefits to each employee who has completed one year of service, who achieves the retirement age (58 for women and 60 for men), who has charged 25 years of services (20 years for women) and whose employment is terminated without due cause, is called up for military service or who dies.

Since the legislation was changed on 23 May 2002, there are certain transitional provisions relating to length of service prior to retirement. The amount payable at 31 March 2010 consists of one month's salary limited to a maximum of TL 2.427,04 (31 December 2009: TL 2.365,16) for each year of service.

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

Employee termination benefit liability is calculated by estimating the present value of the future probable obligation to the employees of the group in its subsidiaries that are registered in Turkey arising from the retirement of the employees. IFRS requires actuarial valuation methods to be developed to estimate the enterprise's obligation under defined benefit plans. Accordingly the following actuarial assumptions were used in the calculation of the total liability:

	31 March 2010	31 December 2009
Discount rate (%)	5,92	5,92
Turnover rate to estimate the probability of retirement (%)	94,07	94,03

The principal assumption is that the liability ceiling 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. Since the Group calculates the reserve for employment termination benefits every six months the maximum amount of TL 2.427,04 which is effective from 1 January 2010 (1 January 2009: TL 2.260,05) has been taken into consideration in the calculations

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

	31 March 2010	31 December 2009
1 January	6.080.473	4.801.860
Paid during the year	(739.119)	(1.049.769)
Increase during the year	1.292.454	1.229.592
Cumulative translated in differences	574	-
31 March	6.634.382	4.981.683

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NOTE 16 - OTHER ASSETS AND LIABILITIES

	31 March 2010	31 December 2009
Other current assets		
Prepaid expenses	3.432.484	3.945.133
Value-added tax (“VAT”) to be refunded	1.848.026	1.728.927
Advances Given	1.439.508	16.887
Transferred VAT	1.439.390	34.157
Prepaid taxes and funds	351.919	316.981
Advances given to personnel	232.231	206.850
Income accruals	-	98.069
Other	197.428	107.473
	8.940.986	6.454.477

	31 March 2010	31 December 2009
Other non-current assets		
Deposits and guarantees given (*)	3.999.986	3.920.651
Prepaid expenses	807.706	754.870
	4.807.692	4.675.521

(*) TL3.999.868 of the amount consists of the guarantees and deposits given by the Group to the local authorities, companies and banks, amounting to TL 2.474.048 TL and TL 1.525.820 for Celebi Delhi Cargo and Celebi Nas respectively, which are the Subsidiaries and Joint-Venture of the Group in India.

	31 March 2010	31 December 2009
Other current liabilities		
Wages and salaries payable	4.909.177	5.542.254
Social security payables	1.995.241	1.850.967
Taxes and funds payable	1.126.683	1.364.104
Accrued bonus payable	419.656	852.323
Short term deferred revenues	231.342	307.054
Value added tax payable	-	207.175
Other miscellaneous payables and liabilities	2.485.471	2.002.444
	11.167.570	12.126.321

	31 March 2010	31 December 2009
Other non-current liabilities		
Deferred insurance claim recovery (*)	2.282.250	2.258.550
Deferred other revenues	267.516	277.416
	2.549.766	2.535.966

(*) The deferred insurance claim recovery amount is comprised of the insurance policy related to the goods of third parties amounting to USD1.500.000 which has been fully collected as of 31 March 2010 and is planned to be utilized by the Company under the circumstances that the Company is found to be liable for the losses incurred during the fire that broke out in Atatürk Airport (“AHL”) Terminal C (Note 30).

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NOTE 17 - EQUITY

Share Capital

As of 31 March 2010, the authorized share capital of the Group is TL 24.300.000 comprising of 2.430.000.000 registered shares with a face value each of 1 Kr (31 December 2009: 2.430.000.000 shares).

At 31 March 2010 and 31 December 2009, the shareholding structure of the Group is stated below:

Shareholders	31 March 2010		31 December 2009	
	Amount	Share %	Amount	Share %
Çelebi Havacılık Holding A.Ş.	12.885.383	53,03	12.885.383	53,03
Engin Çelebioğlu	2.432.430	10,01	2.432.430	10,01
Can Çelebioğlu	1.822.770	7,50	1.822.770	7,50
Canan Çelebioğlu Tokgöz	1.820.970	7,49	1.820.970	7,49
Other	5.338.447	21,97	5.338.447	21,97
	24.300.000	100,00	24.300.000	100,00

Restricted Reserves

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

In accordance with the Communiqué Serial: XI, No: 29 according to the CMB's announcements clarifying the said Communiqué, "Share Capital", "Restricted Reserves Allocated from Profit" and "Share Premiums" need to be recognized over the amounts contained in the legal records. The valuation differences (such as inflation adjustment differences) shall be disclosed as follows:

- if the difference is arising from the valuation 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 arising from valuation of "Restricted Reserves" and "Share Premium" and the amount has not been subject to dividend distribution or capital increase, 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.

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NOTE 17 - EQUITY (Continued)

Dividend requirements regulated by CMB applicable to listed companies are as follows:

In accordance with the CMB Decision No. 02/51 and dated 27 January 2010, concerning allocation basis of profit from operations of 2009, minimum profit distribution will not be applied for the year 2009 (31 December 2009: 20%). According to the Board's decision and Communiqué No. IV-27 issued by the CMB regarding the allocation basis of profit of publicly owned companies, the distribution of the relevant amount may be realised as cash or as bonus shares or partly as cash and bonus shares; and in the event that the first dividend amount to be specified is less than 5% of the paid-up capital, the relevant amount can be retained within the Company. However, companies that made capital increases before distributing dividends related to the prior period and whose shares are therefore classified as "old" and "new" and that will distribute dividends from the profit made from operations are required to distribute the initial amount in cash.

Accordingly, if the amount of dividend distributions calculated in accordance with the net distributable profit requirements of the CMB does not exceed the statutory net distributable profit, the total amount of distributable profit shall be distributed. If it exceeds the statutory net distributable profit, the total amount of the statutory net distributable profit shall be distributed. It is stated that dividend distributions should not be made if there is a loss in either the consolidated financial statements prepared in accordance with CMB regulations or in the statutory financial statements.

In accordance with the Board Decision dated 9 January 2009, the total amount of net income after the deduction of accumulated losses at statutory records and reserves that can be subject to dividend distribution shall be disclosed in the notes to the financial statements which will be prepared and publicly announced in accordance with Communiqué XI No:29. In accordance with CMB Financial Reporting Standards, the Company classified the above mentioned amounts under "Restricted reserves", the amount of restricted reserves is TL 19.322.144 as of 31 March 2010 (31 December 2009: TL 19.322.144).

The equity schedules of the Group at 31 March 2010 and 31 December 2009 are as follows:

	31 March 2010	31 December 2009
Capital	24.300.000	24.300.000
Restricted Reserves		
- Legal reserves	19.322.144	19.322.144
Retained earnings	75.254.405	47.471.772
Cumulative translation differences	3.248.072	915.353
Net income/lost for the period	(3.363.052)	27.782.633
Attributable to the equity holders	118.761.569	119.791.902

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NOTE 18 - REVENUE AND COST OF SALES

	31 March 2010	31 March 2009
Ground handling services	43.852.099	39.101.857
Cargo and warehouse service income	18.711.908	3.660.218
Airport security services	862.306	1.499.380
Aviation fuel sold and commission income	7.285	39.030
Rent income not related to aviation (**)		7.037.192
Passenger service income (*)	-	1.969.824
Contribution income to general expenses (****)	-	1.400.468
Rent income related to aviation (***)	-	157.842
Less: Returns and discounts	(1.173.882)	(455.597)
Sales revenue - net	62.259.716	54.410.214
Cost of sales	(46.988.492)	(45.119.467)
Gross profit	15.271.224	9.290.747

(*) In accordance with the "Antalya Airport 2nd International Terminal construction, management and transfer agreement" signed between Çelebi IC Yatırım and DHMI and also with the conditions of the contract, the DHMI committed to the foreign lines service revenue from 1.987.734 passengers and agreed USD15 per person as the foreign line passenger service price until the termination date of agreement, 23 September 2009. After reaching the guaranteed passenger number in one operating year, the remainder of the passenger income will be transferred to the DHMI

(**) The rent income, which does not relate to aviation, consists of the rent of certain commercial places and offices.

(***) Rent income related to aviation comprises income from services such as bridges, desks, water, PCA and 400Hz that Çelebi IC Yatırım obtained in the Second International Terminal Building.

(****) Contribution income comprises rent income from offices and locations leased to Çelebi IC Hava Terminali İşletme ve Ticaret A.Ş. in accordance with the agreement and management plans and contributions to commonly used electricity, heating and other expenses.

NOTE 19 - EXPENSES BY NATURE

	31 March 2010	31 March 2009
Payroll expenses	(26.329.397)	23.867.888
Payments to authorities and terminal managements	(7.608.634)	(6.720.905)
Depreciation and amortization expenses	(5.536.297)	(10.536.341)
Equipment repair, maintenance, fuel and security expenses	(5.136.279)	(5.108.661)
Consultancy expenses	(4.626.853)	(2.722.769)
Travel and transportation expenses	(1.938.364)	(1.788.052)
Taxes and other fees	(841.665)	(1.275.031)
Insurance premiums	(708.578)	(480.418)
Cost of goods sold	(644.122)	(33.297)
Fuel expenses	(3.310)	-
Other expenses	(6.457.734)	(2.401.576)
	(59.831.233)	(54.934.938)

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NOTE 20 - GENERAL ADMINISTRATIVE EXPENSES

	31 March 2010	31 March 2009
Payroll expenses	(4.721.473)	(3.591.606)
Consultancy expenses	(4.312.404)	(2.584.242)
Depreciation and amortization	(1.571.195)	(1.521.148)
Travel and transportation expenses	(643.770)	(425.559)
Payments to authorities and terminal managements	(266.261)	(344.977)
Insurance premiums	(99.682)	(173.095)
Taxes and other fees	(56.469)	(56.073)
Equipment repair, maintenance, fuel and security expenses	(29.352)	(604.751)
Other expenses	(1.142.135)	(514.020)
	(12.842.741)	(9.815.471)

NOTE 21 - OTHER OPERATING INCOME/EXPENSES

	31 March 2010	31 March 2009
Other operating income:		
Gain on sale of plant, property and equipment	229.559	12.230
Rent income	133.188	146.950
Income from insurance claims	109.500	74.183
Income from providing of equipments	101.512	-
Other expenses	313.313	222.497
	887.072	455.860

Other operating expenses:

	31 March 2010	31 March 2009
Investment consultancy expenses	(3.164.662)	(495.875)
Loss on sale of plant property and equipment	(158.914)	(42.658)
Provision for doubtful receivables	(148.023)	(31.010)
Insurance expenses	(7.392)	(11.696)
Other expenses	(342.868)	(143.530)
	(3.821.859)	(724.769)

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NOTE 22 - FINANCIAL INCOME

	31 March 2010	31 March 2009
Foreign exchange gains	4.523.281	4.602.139
SWAP contracts valuation income (Note 27)	1.575.746	-
Interest income	1.097.048	1.722.255
Unincurred financial income	140.411	254.164
Other financial income	-	313
	7.336.486	6.578.871

NOTE 23 - FINANCIAL EXPENSE

	31 March 2010	31 March 2009
Foreign exchange losses	(4.190.244)	(12.469.886)
Interest expenses	(1.559.782)	(1.201.428)
SWAP contracts valuation losses (Note 27)	(1.016.045)	(12.789.473)
Unincurred financial expenses	(86.200)	(110.086)
Other financial expenses	(364.609)	(704.144)
	(7.216.880)	(27.275.017)

NOTE 24 - TAX ASSETS AND LIABILITIES

	31 March 2010	31 March 2009
Corporate and income taxes payable	2.473.648	11.007.573
Less: Prepaid current corporate taxes	(2.152.629)	(10.852.134)
Tax provision, net	321.019	155.439
	31 March 2010	31 March 2009
Deferred tax assets	256.157	180.951
Deferred tax liabilities	(3.000.230)	(3.798.263)
Deferred tax liability - net	(2.744.073)	(3.617.312)

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NOTE 24 - TAX ASSETS AND LIABILITIES (Continued)

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

The corporation tax rate for the fiscal year 2010 is 20% (31 December 2009: 20%). Corporation tax rate is applicable on the total income of companies after adjusting for certain disallowable expenses, income tax exemptions (participation exemption, investment allowance exemption, etc) and income tax deductions (like research and development expenses). No further tax is payable unless the profit is distributed (except withholding tax at the rate of %19,8 on the investment incentive allowance utilised within the scope of the Income Tax Law transitional article 61).

Except for the dividends paid to non-resident corporations, which have a representative office in Turkey, or resident corporations, dividends are not subject to withholding tax. Dividends paid to other organizations or individuals are subject to withholding tax at the rate of 15%. Transfer of profit to capital is not accepted as a dividend distribution.

Corporations are required to pay advance corporation tax quarterly at the rate of 20% on their corporate income (31 December 2009: 20%). Advance tax is declared by the 14th and paid 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. Despite the credit from annual corporation tax liability, if the company still has excess advance corporate tax, it can receive this balance in cash from the Government or as a credit for another financial debt to the Government.

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

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

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

Domestic participation exemption:

Dividend income earned from investments in another company's shares is excluded in the calculation of the corporate tax (dividend income gained related to the participation in investment funds and investment trust shares is excluded).

Issued premiums exemption:

New share issue premiums, which represent the difference between the nominal and sale values of shares issued by joint-stock companies, are exempt from corporation tax.

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NOTE 24 - TAX ASSETS AND LIABILITIES (Continued)

Foreign company participation exemption:

The participation income of corporations participating for at least one continuous year of 10% that does not have their legal or business centre in Turkey (except for corporations whose principal activity is financial leasing or investment of marketable securities) up until the date the income is generated and transferred to Turkey and 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 being subject to corporate income tax, or alike in their country of legal or business centre at the rate of at least 15% (the corporate income tax rate applicable in Turkey for those companies whose principal activity is financial assurance or insurance).

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

A 75% portion of corporations' profits from the sale of participation shares, founding shares, preemptive rights and property, which have been in their assets for at least for two years, is exempt from corporate tax provided that these profits are added to share capital and are not withdrawn within five years. Income from the sale is generated until the end of the second calendar year following the year in which sale was realized.

In Hungary, the corporate tax rate is changed from 16% to 20% beginning on 1 September 2006. This additional tax increase is applicable to earnings before tax beginning from the last quarter of the fiscal year 2006 and the increased tax rate will be applicable thereafter.

In India, the corporate tax rate is 33,39% for fiscal year 2009. Corporation tax rate is applicable on the total income of companies after adjusting for certain disallowable expenses, income tax exemptions (participation exemption, investment allowance exemption, etc) and income tax deductions (like research and development expenses).

Tax expense for the periods end 31 March 2010 and 31 March 2009 is presented below:

	31 March 2010	31 March 2009
- Current year corporate tax	(2.473.648)	(1.109.747)
- Deferred tax income/(expense)	861.470	(52.362)
	(1.612.178)	(1.162.109)

Deferred Taxes

The Turkish tax regulation does not allow companies to declare tax declarations if the company consolidates its subsidiaries. For this reason, tax provisions presented in these financial statements are calculated separately for subsidiaries which are fully consolidate.

The group considers the differences arising from different valuation of the financial statements prepared in accordance with CMB regulations in the calculation of deferred tax assets and liabilities. The differences mainly arise due to the different accounting of income and expenses inline with Tax Laws and CMB Accounting Standards in different periods. In accordance with the method of liabilities based on subsequent differences, the rates for deferred revenue asset and liabilities are %20, %20 and %33,99 for Turkey, Hungary and India respectively.

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NOTE 24 - TAX ASSETS AND LIABILITIES (Continued)

The taxes on income for the periods ended 31 March 2010 and 31 December 2009 are summarized as follows:

	Cumulative temporary differences		Deferred income tax assets / (liabilities)	
	31 March 2010	31 December 2009	31 March 2010	31 December 2009
Non-deductible financial losses (*)	(933.491)	(1.347.066)	317.294	457.868
Net difference between the tax base and carrying amount of property plant and equipment and intangible assets	179.867	814.701	(61.137)	(276.917)
Provision for unused vacation	-	-	-	-
Provision for employment termination benefits	-	-	-	-
Net deferred tax asset			256.157	180.951
Net difference between the tax base and carrying amount of property plant and equipment and intangible assets	31.473.147	31.601.057	(6.294.629)	(6.320.213)
Provision for employment termination benefits	(6.616.711)	(6.069.359)	1.323.342	1.213.872
Provision for Investment Consultancy expenses	(3.887.140)	(752.850)	777.428	150.570
Deferred insurance claim recovery	(2.282.250)	(2.258.550)	456.450	451.710
Provision for unused vacation	(1.279.660)	(1.266.815)	255.932	253.363
Accrued sales commissions	(1.541.933)	(1.118.815)	308.387	223.763
Provision for legal claims	(520.435)	(444.475)	104.087	88.895
Personnel bonus accrual	(294.083)	(606.665)	58.817	121.333
Provision for doubtful receivables	(49.781)	(49.781)	9.956	9.956
Other	-	(42.438)	-	8.488
Net deferred tax liability			(3.000.230)	(3.798.263)

(*) All amount of non-deductible financial losses mentioned above is comprised of financial losses of Celebi Nas.

A deferred tax asset is recognized only to the extent that it is probable that a tax benefit will be realized in the future. Despite of currency forward contract which has been made to deal with risks related to changes in market value of future forecasted cash flows of CGHH (Note 14), foreign exchange losses caused by decrease in the value of Hungarian Forint against Euro due to ongoing financial crisis in Hungary and international markets has lead to the probability of inability to utilize carry-forward tax losses of CGHH amounted TL18.891.845 partly or completely in an identifiable period of time. Although there has been no expiry date for the utilization of carry-forward tax losses in the Hungarian Tax System, the Company has not accounted for deferred tax asset amounted to TL3.778.369 as of 31 March 2010.

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NOTE 24 - TAX ASSETS AND LIABILITIES (Continued)

Deferred tax movement table is indicated below:

	31 March 2010	31 March 2009
1 January	(3.617.312)	(3.741.062)
Cumulative translation difference	11.769	-
Current period deferred tax income / (expense)	861.470	(52.362)
31 December	(2.744.073)	(3.793.424)

Deferred tax assets and liabilities are as follows:

	31 March 2010	31 December 2009
Deferred income tax assets:		
Deferred income tax asset to be recovered after more than 12 months	256.157	180.951
Deferred tax assets, net	256.157	180.951
Deferred income tax liabilities:		
Deferred income tax liability to be settled after more than 12 months:	(3.000.230)	(3.798.263)
Deferred tax liability net	(3.000.230)	(3.798.263)
Deferred tax liabilities, net	(2.744.073)	(3.617.312)

NOTE 25 - EARNINGS PER SHARE

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

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 shares are regarded as issued shares. Accordingly, the weighted average number of shares outstanding during the year has been adjusted in respect of bonus shares issued without a corresponding change in resources, by giving them retroactive effect for the period in which they were issued and for each earlier year.

Basic earnings per share are determined by dividing net income attributable to shareholders by the weighted average number of issued ordinary shares as below:

	31 March 2010	31 March 2009
Net loss attributable to the equity holders of the parent	(3.363.052)	(16.103.345)
Weighted average number of shares with Kr1 face value each	2.430.000.000	2.430.000.000
Earnings per share (Kr)	(0,001)	(0,007)

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NOTE 26 - TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Amounts due from and due to related parties during the periods and a summary of major transactions with related parties during the period are as follows:

i) Balances with related parties

	31 March 2010	31 December 2009
Due from related parties		
Celebi GH Delhi(*)	6.217.372	-
Çelebi Havacılık Holding A.Ş.	-	(**)4.793.255
Other	94.273	82.042
	6.311.645	4.875.297

Due from Joint-ventures

	31 March 2010	31 December 2009
Celebi Nas (**)	502.642	5.647.580
	502.642	5.647.580

Due from related parties

6.814.287 **10.522.877**

(*) The relevant amount consists of the machinery, equipment and spare parts purchased on behalf of Çelebi GH Delhi the Subsidiary of the Company, established in New Delhi, India.

(**) The relevant amount consists of consultancy services provided and the machinery, equipment and spare part purchased on behalf of Çelebi Nas, the Joint-Venture of the Company, established in Maharashtra, Mumbai, India on 12 December 2008.

(***) TL 4.766.250 of related amount consists of advances by joint venture Celebi IC Yatırım to Çelebi Havacılık Holding A.Ş. and accrued interest relating to these advances as of end of the period (Note 8).

Due to related parties

	31 March 2010	31 March 2009
Çelebi Havacılık Holding A.Ş.	1.436.530	-
Çe-Tur Çelebi Turizm Ticaret A.Ş. "Çe-Tur"	379.299	597.135
Other	9.852	66.935
	1.825.681	664.070

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NOTE 26 - TRANSACTIONS AND BALANCES WITH RELATED PARTIES (Continued)

ii) Transactions with related parties

	31 March 2010	31 March 2009
Miscellaneous sales to related parties		
Ortadoğu Antalya	145.686	132.453
Celebi GH Delhi	101.512	-
Çelebi Marina ve Yat İşletmeciliği A.Ş.	60.909	57.599
Çelebi Havacılık Holding A.Ş.	47.690	215.617
Çelebi IC İşletme	-	93.701
Other	35.731	43.316
	391.528	542.686
Miscellaneous sales to Joint-ventures		
Çelebi Nas	71.317	-
Çelebi IC Yatırım	-	726.039
	71.317	726.039
Rent income from related parties		
Çelebi IC İşletme(****)	-	6.463.724
Employee and transportation expenses payable to related parties		
Çe-Tur	693.990	960.752
Çelebi IC İşletme(****)	-	1.101.346
	693.990	2.062.098
Contribution to holding expenses (*****)		
Çelebi Havacılık Holding A.Ş.	2.614.801	1.890.723
General expenses contribution income from related companies (****)		
Çelebi IC İşletme(****)	-	1.292.745

(****) Due to the agreement signed between Çelebi IC Yatırım and DHMI on 24 February 2004 the operation of the Terminal was ended on 23 September 2009. Consequently the operations of Çelebi IC was ended on 23 September 2009.

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NOTE 26 - TRANSACTIONS AND BALANCES WITH RELATED PARTIES (Continued)

	31 March 2010	31 March 2009
Interest received from related parties		
Çelebi Havacılık Holding A.Ş.	116.384	613.762
Çelebi Nas	37.142	-
	153.526	613.762
Other purchases from related parties (*****)		
Çe-Tur	667.801	643.743
Çelebi Havacılık Holding A.Ş.	351.424	276.366
Celebi GH Delhi	68.924	-
Other	13.449	9.827
	1.101.598	929.936
Other purchases from Joint-ventures		
Çelebi IC Yatırım	-	5.485

(*****) Contribution paid to Çelebi Havacılık Holding A.S for services (legal counseling, financial consultancy and human resource consultancy) provided to Çelebi Hava Servisi A.Ş. and Çelebi Güvenlik Sistemleri ve Danışmanlık A.Ş. by Çelebi Havacılık Holding A.Ş. These expenses have been consistently incurred between periods and participations in Çelebi Havacılık Holding A.Ş, in the consideration of criteria such as staff number, company turnover and asset size. (Note 21).

(*****) Contribution income comprises of rental income from offices and locations leased to Çelebi IC İşletme in accordance with the agreement and management plans and contributions of the terminal constructed by Çelebi IC Yatırım under the scope of Build-Operate-Transfer of the terminal.

(*****) Other purchases include vehicle rent, organizational cost and other expenses. Purchases from Çelebi Havacılık Holding A.Ş. that are classified under other purchases from related parties are comprised of expenses directly related to the Company that are business development projects and tenders executed and followed up Çelebi Havacılık Holding A.Ş

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NOTE 26 - TRANSACTIONS AND BALANCES WITH RELATED PARTIES (Continued)

Collaterals given in favor of related parties for borrowings as of 31 March 2010 and 31 December 2009 are detailed below:

31 March 2010	Euro	US Dollars	Indian Rupee	HUF	TL
Çelebi Havacılık Holding A.Ş.	-	-	-	-	21.142.500
CCGH (**)	17.572.071	-	-	700.000.000	-
Çelebi Nas (*)	-	-	61.200.000	-	-
Celebi Delhi Cargo (***)	-	-	1.250.000.000	-	-
31 December 2009	Euro	US Dollars	Indian Rupee	HUF	TL
Çelebi Havacılık Holding A.Ş.	-	-	-	-	21.142.500
Çelebi Denizcilik A.Ş.	-	-	-	-	500.000
CCGH (**)	17.572.071	-	-	700.000.000	-
Celebi Delhi Cargo (***)	-	-	1.250.000.000	-	-

(*) 15.3% shares of the Company in Celebi Nas, Joint-Venture of the Company, have been pledged in favor of the relevant bank for the financial obligations stipulated by the agreements, signed by the Celebi Nas and a bank, resident in India, comprise INR640,000,000 as cash credit and INR130,000,000 as non-cash credit for the long-term project finance and INR100,000,000 as cash working capital credit.

(**) CCGH signed an agreement for a project financing borrowing amounting to EUR28.600.000 and the Group gave a guarantee for 70% of these borrowings and 70% of shares of the Company has putted in pledge in favor of related banks. The unpaid amount of aforementioned borrowing as of 31 March 2010 is EUR 25.102.959. (31 December 2009: EUR 25.102.959)

(***) Celebi Delhi Cargo signed an agreement for bridge loan amounting to INR1.250.000.000 and the Company gave a guarantee for full amount of borrowings to related banks. Also since the bridge loan which signed between Celebi Delhi Cargo, a subsidiary of the Company and a bank resident in India, amounting to INR1,250,000,000 (approximately USD27.2 million), was transformed into a long-term cash project loan amounting to INR1,850,000,000 (approximately USD40.2 million) has not been used yet, The Company gave corporate guarantee for full amount of the loan to fulfill the financial obligations stipulated in the agreements with relevant banks and all of the 74% shares of the Company in Celebi Delhi Cargo have been pledged in favor of these banks.

Key management compensation:

The Group has determined key management personnel as members of board of directors, general manager and general manager assistants. Compensation amounts have been classified as stated below:

	31 March 2010	31 March 2009
Short-term benefits	1.603.462	1.699.804
Post-employment benefits	-	-
Benefits due to outplacement	-	-
Share-based payment	-	-
Other long-term benefits	-	-
	1.603.462	1.699.804

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NOTE 27 - DERIVATIVE FINANCIAL INSTRUMENTS

Long-term derivative financial instruments

	31 March 2010	31 December 2009
Interest rate swap	4.713.849	3.796.744
Forward currency exchange contracts	1.633.744	3.284.104
	6.347.593	7.080.848

The movement of derivative financial instruments as of 31 March 2010 is as follows:

	1 January 2010	Gain (*)	Loss (*)	Cumulative translation difference	31 March 2010
Interest rate swap	(3.796.744)	-	(1.016.045)	98.940	(4.713.849)
Forward currency exchange contracts	(3.284.104)	1.575.746	-	74.614	(1.633.744)
	(7.080.848)	1.575.746	(1.016.045)	173.554	(6.347.593)

(*) Net financial income recorded in the period according to these agreements is amounting to TL 559.701. (31 December 2009: 1.985.028 TL loss) (Note 22-23).

a) Interest rate swap

Within the framework of the project finance agreement entered into with the banks, CGHH has entered into a interest rate swap (Knock In Radial Swap) corresponding to the amount used for the project amounting to EUR28.600.000 in order to hedge interest rate risk. Interest rate swap has been made under the conditions mentioned below and the related amount will decrease inline with the payments of project borrowing. The paid and unpaid amount of aforementioned borrowing as of 31 March 2010 is EUR3.497.041 and EUR25.102.959, respectively.

The actual interest rate for CGHH is 4% as long as Euribor per six months realized below 5,40%. In situations where Euribor realized equals to or greater than 5,40%, a formula will be effective for each remaining maturity dates and a distinct ratio will be calculated for each remaining period.

b) Forward currency exchange contracts

Within the framework of the project finance agreement entered into with the related bank, CGHH has entered into a risk reversal option transaction corresponding to the amount used for the project amounting to EUR28.600.000 in order to hedge foreign exchange risk. Taking into consideration the cash flow projection presented to the Bank, the Company has made a commitment to sell Euros and to buy Hungarian Forint each month until 31 March 2011. The paid and unpaid amount of aforementioned borrowing as of 31 March 2009 is EUR3.497.041 and EUR25.102.959, respectively.

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NOTE 27 - DERIVATIVE FINANCIAL INSTRUMENTS (Continued)

Details of the terms and conditions of related contract are as follows for the years 31 March 2010 and 2011:

Year	Sales price (HUF/ Euro)	Purchase price (HUF/ Euro)	Amount Euro
2010	240	281	11.660.000
2011	236	281	16.101.000
			27.761.000

According to agreement signed by the subsidiary of the Company, CCGH, for the project financing borrowing amounting to EUR28.600.000 and 70% of shares of the Company has putted in pledge in favor of related banks.

NOTE 28 - FINANCIAL RISK MANAGEMENT

Financial risk management

The Group focused to manage miscellaneous financial risks including foreign currency exchange rates and interest rates because of activities of the Group. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects.

Risk management is carried out under policies approved by the Boards of Directors.

Interest rate risk

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

Interest rate positions of the Group at 31 March 2010 and 31 December 2009 are as follows:

	31 March 2010	31 December 2009
Fixed interest rate financial instruments		
Financial Assets		
- Cash and cash equivalents	77.331.482	59.879.331
Financial Liabilities	55.535.467	41.658.331
Floating interest rate financial instruments		
Financial liabilities	101.681.043	96.419.602
Derivative financial instruments	6.347.593	7.080.848

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NOTE 28 - FINANCIAL RISK MANAGEMENT (Continued)

If other variables are kept constant, interest income generated from time deposits would have been either TL 18.852 higher or lower if the interest rates were 2% more or less at 31 March 2010 (31 March 2009: TL 20.890).

Expected repricing and maturity dates have not been presented with an additional statement due to agreement maturity dates of financial assets and liabilities excluding borrowings received are inline with the expected repricing and maturity dates. Maturity analysis of the bank borrowing based on repricing dates as of 31 March 2010 and 31 December 2009 are presented at Note 7.

Credit risk

Credit risk consists of cash and cash equivalents, bank deposits and receivables from customers exposed to 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 from any individual counterparty (except related parties).

There is no overdue or impaired amount in Group's trade receivables, due from related parties and other receivables as of 31 March 2010 (31 December 2009: None).

Liquidity risk

Cash flow generated through amount and term of borrowing back payments is managed by considering the amount of unreserved cash flow from its operations. Hence, on one hand it is possible to pay debts with the cash generated from operating activities when necessary, and on the other hand sufficient and reliable sources of high quality loans are accessible. The Group has long-term financial liabilities amounted TL109.046.585 as of 31 March 2010 (31 December 2009: TL102.446.246) (Note 7).

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NOTE 28 - FINANCIAL RISK MANAGEMENT (Continued)

The table below demonstrates the Group’s liquidity risk arising from financial liabilities:

31 March 2010	Carrying value	Total contractual cash outflow	Less than 3 months	3-12 months	1-5 years	Over 5 years
Non derivative financial liabilities						
Financial liabilities	157.450.432	169.948.548	4.065.373	47.862.681	81.229.782	36.790.712
Trade payables						
- Related party	1.825.681	1.825.681	1.825.681	-	-	-
- Other	14.872.354	14.872.354	14.872.354	-	-	-
Other liabilities						
- <i>Related party</i>	-	-	-	-	-	-
- Other	1.037.397	1.037.397	-	690.951	346.446	-
31 December 2009	Carrying value	Total contractual cash outflow	Less than 3 months	3-12 months	1-5 years	Over 5 years
Non derivative financial liabilities						
Financial liabilities	138.301.908	152.394.542	4.798.465	36.029.837	85.335.751	26.230.489
Trade payables						
- Related party	664.070	664.070	664.070	-	-	-
- Other	14.421.523	14.421.523	14.421.523	-	-	-
Other liabilities						
- <i>Related party</i>	-	-	-	-	-	-
- Other	14.251.613	14.251.613	5.781.749	8.137.545	332.319	-

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NOTE 28 - FINANCIAL RISK MANAGEMENT (Continued)

Currency risk

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

For this reason, the proportion of the positions of these currencies among each other or against Turkish Lira to shareholders' equity is aimed to be controlled under certain limits. Derivative financial instruments are also used, when necessary. In this context, the Group's primary method is utilizing forward foreign currency transactions. The Group is exposed to foreign exchange rate risk mainly for Euro, US Dollar and INR.

As of 31 March 2010, other things being constant, if the TL was to appreciate/depreciate by 10% against the USD, foreign exchange gains/losses resulting from trade receivables and payables, cash and cash equivalents and advances received and given would increase/decrease net income by TL 892.470 (31 March 2009: TL 729.204).

As of 31 March 2010, other things being constant, if the TL was to appreciate/depreciate by 10% against the Euro, foreign exchange gains/losses resulting from trade receivables and payables, cash and cash equivalents and advances received and given would increase/decrease net income by TL 7.011.577(31 March 2009: TL 6.528.687).

As of 31 March 2010, other things being constant, if the TL was to appreciate/depreciate by 10% against the INR, foreign exchange gains/losses resulting from trade receivables and payables, cash and cash equivalents and advances received and given would increase/decrease net income by TL 1.364.849(31 March 2009: none).

Foreign currency denominated assets and liabilities of the Group as of 31 March 2010 and 2009 are as follows:

	31 March 2010	31 December 2009
Assets denominated in foreign currency	111.961.277	124.826.049
Liabilities denominated in foreign currency (-)	(174.889.147)	(161.656.053)
Net balance sheet position	(62.927.870)	(36.830.004)
Net foreign currency position of- derivative financial instruments (*)	-	-
Net foreign currency position	(62.927.870)	(36.830.004)

(*) Currency forward contract described in Note 27 has been made to deal with risks related to changes in market value of future forecasted cash flows of the Group in accordance with IAS 39.

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NOTE 28 - FINANCIAL RISK MANAGEMENT (Continued)

The table below summarizes TL equivalent of the Group's foreign currency denominated assets and liabilities as of 31 March 2010 and 31 December 2009:

31 Mart 2010	US dollar	Euro	Indian Rupee	Other currencies	Total TL
Assets:					
Cash and cash equivalents	24.360.098	23.975.738	18.094.506	10.362.770	76.793.112
Trade receivables	396.572	10.543.589	6.443.358	5.452.796	22.836.315
Due from related parties	2.367.471	3.750.121	112.556	-	6.230.148
Other	662.327	-	5.329.628	109.747	6.101.702
	27.786.468	38.269.448	29.980.048	15.925.313	111.961.277
Liabilities:					
Short term financial liabilities	(8.825.888)	(34.933.363)	(1.197.626)	-	(44.956.877)
Long-term financial liabilities	(9.285.001)	(64.977.823)	(34.783.761)	-	(109.046.585)
Derivative financial instruments	-	(6.347.593)	-	-	(6.347.593)
Trade payables	(241.915)	(1.060.222)	(1.563.699)	(2.299.384)	(5.165.220)
Due to related parties	(96.189)	(7.752)	(921.192)	-	(1.025.133)
Short-term provisions	(376.814)	(984.662)	(1.981.767)	-	(3.343.243)
Other	(35.961)	(73.802)	(3.180.496)	(1.714.237)	(5.004.496)
	(18.861.768)	(108.385.217)	(43.628.541)	(4.013.621)	(174.889.147)
Net balance sheet position	8.924.700	(70.115.769)	(13.648.493)	11.911.692	(62.927.870)
31 December 2009	US dollar	Euro	Indian Rupee	Other currencies	Total TL
Assets:					
Cash and cash equivalents	37.664.148	25.902.774	16.453.654	10.622.110	90.642.686
Trade receivables	1.824.130	9.929.977	2.943.051	5.464.246	20.161.404
Due from related parties	1.393.496	4.254.593	-	-	5.648.089
Other	1.434.507	373	4.754.886	2.184.104	8.373.870
	42.316.281	40.087.717	24.151.591	18.270.460	124.826.049
Liabilities:					
Short term financial liabilities	(8.478.601)	(27.099.642)	(277.419)	-	(35.855.662)
Long-term financial liabilities	(9.163.700)	(68.397.209)	(24.885.337)	-	(102.446.246)
Derivative financial instruments	-	(7.080.848)	-	-	(7.080.848)
Trade payables	(858.097)	(1.386.452)	(1.673.315)	(2.894.171)	(6.812.035)
Due to related parties	(16.367)	(19.177)	-	-	(35.544)
Short-term provisions	-	-	(1.415.348)	-	(1.415.348)
Other	(84.066)	(929.351)	(4.868.738)	(2.128.215)	(8.010.370)
	(18.600.831)	(104.912.679)	(33.120.157)	(5.022.386)	(161.656.053)
Net balance sheet position	23.715.450	(64.824.962)	(8.968.566)	13.248.074	(36.830.004)

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NOTE 28 - FINANCIAL RISK MANAGEMENT (Continued)

The table below summarizes TL equivalent of export and import amounts for the years ended 31 March 2010 and 31 December 2009:

	31 March 2010	31 March 2009
Total export amount	1.466.795	2.301.893
Total import amount	1.356.213	50.508

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.

The shareholders' of the Company, in order to maintain or modify capital structure, can change the amount of dividends paid to shareholders, return capital to shareholders, issue new shares and sell assets to decrease financing needs consistent with the regulations of the CMB.

Consistent with others in the industry, the Group monitors capital on the basis of the debt / equity ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total liabilities less cash and cash equivalents and deferred tax liability. Total capital is calculated as equity, as shown in the consolidated balance sheet, plus net debt.

The ratio of net debt/ (equity +net debt) at 31 March 2010 and 31 December 2009 is as follows:

	31 March 2010	31 December 2009
Total financial liabilities	157.450.432	138.301.908
Cash and cash equivalents	(96.689.705)	(94.601.180)
Deferred tax liabilities	(3.000.230)	(3.798.263)
Net debt	57.760.497	39.902.465
Equity	126.964.110	120.096.539
Equity +net debt	184.724.607	159.999.004
Net debt/ (Equity +net debt) ratio	31%	25%

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NOTE 29 - FINANCIAL INSTRUMENTS

Fair value estimation

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.

Effective 1 January 2009, the group adopted the amendment to IFRS 7 for financial instruments that are measured in the balance sheet at fair value, this requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

In the balance sheet, derivative financial instrument is the only item that is recognized at fair value. The fair value of derivative financial instrument is determined by using valuation technique, which can be regarded as Level 2. Apart from that, for disclosure purposes, the borrowings carried at the amortized cost at the balance sheet are presented with their values in Note 7. The fair value of borrowings for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate (Libor) that is available to the Group for similar financial instruments that can be classified as level 2. The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values due to the short-term nature of trade receivables and payables.

NOTE 30 - DISCLOSURE OF OTHER MATTERS REQUIRED FOR THE PURPOSE OF UNDERSTANDING AND INTERPRETING THE CONSOLIDATED FINANCIAL STATEMENTS

The cargo building of the Company located at Atatürk Airport ("AHL") Terminal C in which the Company carries out cargo - warehouse operations was damaged by a fire that broke out on 24 May 2006.

As a result of the fire, goods belonging to third parties were also damaged in addition to the damage to property, plant and equipment and leasehold improvements of the Company. As of 31 March 2010 some of the owners of the goods have applied to the Company and its insurance company for compensation of their losses by filing lawsuits against the Company and via enforcement proceedings.

Because of the aforementioned fire, a judicial inquiry has been held with the inquiry file 2006/37927 E. at the Bakırköy Office of the Directorate of Public Prosecutions, and in accordance with the results of the judicial inquiry criminal prosecution proceedings - inquiry number 2006/817 E. at Third Bakırköy Magistrate Criminal Court - have been initiated against four DHMI security guards and an Atatürk Airport security guard for responsibility concerning the fire. The Company has been described as the aggrieved party in the indictment prepared by the Bakırköy Office of the Public Prosecutor. The Company, with all rights related to private law reserved, has submitted a petition to be a participant in the court proceedings for the penalising of the perpetrators, since it has been described as aggrieved party.

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**NOTE 30 - DISCLOSURE OF OTHER MATTERS REQUIRED FOR THE PURPOSE OF
UNDERSTANDING AND INTERPRETING THE CONSOLIDATED FINANCIAL
STATEMENTS (Continued)**

As a result of the inquiries, the management, the legal advisor and the lawyers of the Company believe the Company will not be found responsible for the fire and is therefore not considered to be legally responsible for the losses of the third parties. Consequently, since the Company has not caused the fire by its own acts (or by the acts of the individuals for which it is responsible) and no legal negligence on its part has to date been identified in relation to the prevention of the losses resulting from the fire, the probability of its being liable for the losses of the fire is remote.

As of 31 March 2010, although the Company believes that the probability of being liable for the losses is remote, the indemnities related to the damaged goods of the third parties is estimated by the Company management as TL13.405.007. In addition, there are legal cases and enforcement proceedings under way amounting to TL61.771.714: this comprises legal cases and enforcement proceedings amounting to TL55.190.446 (Note 14) in which the Company is a co-defendant along with the DHMI, other warehouse management companies and insurance companies; and legal cases and enforcement proceedings amounting to TL6.581.268 in which the Company is the sole defendant.

The Company has an insurance policy related to the goods of third parties amounting to USD1.500.000 which has been fully collected as of 31 December 2009 and is planned to be utilised by the Company under the circumstances that the Company is held legally liable for the losses incurred during the fire.

For the purpose of compensating legal claims related to the fire that broke out on 24 May 2006, the company management has decided to use another insurance policy amounting to USD10.000.000 in a special fund created in conjunction with the DHMI and other warehouse management company in accordance with the Sharing Agreement signed with same parties. The Sharing Agreement mentioned was established in order to deal with the consequences of legal cases and enforcement proceedings in which the Company is a co-defendant along with the DHMI and other warehouse management company.

The parties to the agreement believe that they will not be found responsible for the fire and therefore are not considered legally responsible for the losses. In order to settle the possible legal cases and enforcement proceedings amicably in the future, the mentioned fund was established by the party reinsurers.

The Company has not accounted for any provision in the consolidated financial statements at 31 March 2010 because damage related to the goods belonging to third parties in the warehouse during the fire could not be determined precisely and because of the remote probability of its being found liable for the losses.

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NOTE 31 - SUBSEQUENT EVENTS

The subsidiary 'Celebi Ground Handling Europe SL'(Spain), where the company holds 100% of the shares, has aquired the 'Troy Airport Services Sp. z.o.o.' ("Troy Poland") based in Warsaw,Poland from 'Troy AB' based in Sweden with its 100% capital by paying 5.000 Polish Zloti(approximately USD1.750) per share and 15.000 Polish Zloti(approximately USD5.250) as share price from The Polish Civil Aviation Athourity with an operation license expering on 4 February 2011. Equity of Troy Poland and various expenses made for the firm were taken into consideration for determining the amount of 15.000 polish Zloti as share transfer. 100% of the capital of Troy AB belongs to Çelebi Holding A.Ş (previously known as: Çelebi Denizcilik A.Ş.), was controlled by Çelebioğlu Family, also controls The Company and Çelebi Havacılık Holding A.Ş. majority shareholder of The Company.

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