

(Convenience translation of financial statements
originally issued in Turkish)

Aygaz Anonim Őirketi and Subsidiaries

**January 1 – March 31, 2011 interim condensed
consolidated financial statements**

(Convenience translation of financial statements originally issued in Turkish)

Aygaz Anonim Şirketi and Subsidiaries

Table of contents

	<u>Page</u>
Interim condensed consolidated balance sheet	1-2
Interim condensed consolidated income statement	3
Interim condensed consolidated comprehensive income statement	4
Interim consolidated changes in equity	5
Interim consolidated cash flow statement	6
Disclosures related to interim condensed consolidated financial statements	7-42

(Convenience translation of financial statements originally issued in Turkish)

Aygaz Anonim Şirketi and Subsidiaries

Condensed consolidated balance sheet as at March 31, 2011

(Amounts are expressed as thousand Turkish Lira (TL) unless otherwise stated, other currencies are also expressed in thousands unless otherwise stated)

Assets	Notes	Current period	Prior period
		(Not Reviewed)	(Audited)
		March 31,	December 31,
		2011	2010
Current assets			
Cash and cash equivalents	5	349.788	262.429
Trade receivables		305.419	265.278
-Due from related parties	21	25.432	16.051
-Other trade receivables	8	279.987	249.227
Other receivables		22.196	2.107
Inventories	9	145.501	158.557
Other current assets	16	40.305	27.101
		863.209	715.472
Assets held for sale	22	-	372.278
Total current assets		863.209	1.087.750
Non-current assets			
Trade receivables	8	1.733	847
Other receivables		38	35
Financial investments	6	326.405	326.448
Investments accounted under equity method	10	879.274	853.176
Property, plant and equipment	11	584.148	475.306
Intangible assets	12	7.236	7.719
Goodwill	13	82.157	-
Deferred tax asset	20	79	109
Other non-current assets	16	54.292	52.258
Total non-current assets		1.935.362	1.715.898
Total assets		2.798.571	2.803.648

The accompanying accounting policies and notes presented between pages 7 and 42 form an integral part of these consolidated financial statements.

(Convenience translation of financial statements originally issued in Turkish)

Aygaz Anonim Şirketi and Subsidiaries

Condensed consolidated balance sheet as at March 31, 2011

(Amounts are expressed as thousand Turkish Lira (TL) unless otherwise stated, other currencies are also expressed in thousands unless otherwise stated)

		Current period (Not reviewed)	Prior period (Audited)
Liabilities	Notes	March 31, 2011	December 31, 2010
Short term liabilities			
Financial borrowings	7	1.549	2.605
Other financial liabilities		1.285	444
Trade payables		268.973	300.278
- Due to related parties	21	105.618	110.458
- Other trade payables	8	163.355	189.820
Other payables	15	126.894	18.157
Current tax liabilities	20	16.860	12.171
Provision for other liabilities		3.855	2.637
Other short term liabilities	16	121.556	117.016
		540.972	453.308
Liabilities of assets held for sale	22	-	117.747
Total short term liabilities		540.972	571.055
Long term liabilities			
Financial borrowings	7	9.988	108.602
Other payables	15	54.331	53.299
Provision for employment termination benefits		18.180	16.744
Deferred tax liabilities	20	43.060	40.040
Total non-current liabilities		125.559	218.685
Equity			
Share capital	17	300.000	300.000
Inflation adjustment to share capital	17	71.504	71.504
Adjustment to share capital		(7.442)	(7.442)
Valuation fund on financial assets		223.010	223.010
Currency translation reserve		466	476
Restricted reserves		384.230	373.230
Financial risk hedging reserve		(5.831)	(5.690)
Retained earnings		886.954	783.489
Net profit for the period		245.439	239.465
Equity attributable to equity holders of the parent		2.098.330	1.978.042
Non-controlling interests		33.710	35.866
Total equity		2.132.040	2.013.908
Total liabilities and equity		2.798.571	2.803.648

The accompanying accounting policies and notes presented between pages 7 and 42 form an integral part of these consolidated financial statements.

(Convenience translation of financial statements originally issued in Turkish)

Aygaz Anonim Şirketi and Subsidiaries

Condensed consolidated income statement for the three month interim period ended March 31, 2011

(Amounts are expressed as thousand Turkish Lira (TL) unless otherwise stated, other currencies are also expressed in thousands unless otherwise stated)

		Current period (Not reviewed)	Prior period (Not Reviewed)
	Notes	January 1- March 31, 2011	January 1- March 31, 2010
Continuing operations			
Sales revenue (net)		1.252.766	1.057.293
Cost of sales (-)		(1.148.230)	(949.202)
Gross profit		104.536	108.091
Marketing, sales and distribution expenses (-)		(39.116)	(33.556)
General administrative expenses (-)		(25.514)	(24.401)
Research and development expenses (-)		(212)	(185)
Other operating income		197.677	8.346
Other operating expenses (-)		(2.785)	(2.721)
Operating profit		234.586	55.574
Profit / (loss) from investments accounted under equity method	10	26.249	162
Finance income	19	60.518	44.495
Finance expense (-)	19	(62.670)	(38.018)
Profit / (loss) from continuing operations before taxation		258.683	62.213
Continuing operations tax income / (expense)			
- Current tax expense for the period	20	(17.147)	(14.300)
- Deferred tax income / (expense)	20	3.668	1.931
Continued operations profit / (loss)		245.204	49.844
Discontinued operations		-	-
Discontinued operations profit / (loss) after tax		-	-
Net profit for the period		245.204	49.844
Profit attributable to:			
Non-controlling interest		(235)	(230)
Equity holders of the parent		245.439	50.074
Earnings per share	18	0,81813	0,16691
Diluted earnings per share (TL)		0,81813	0,16691
-From continuing operations (thousand ordinary shares)	18	0,81813	0,16691
-From discontinuing operations (thousand ordinary shares)		-	-

The accompanying accounting policies and notes presented between pages 7 and 42 form an integral part of these consolidated financial statements.

(Convenience translation of financial statements originally issued in Turkish)

Aygaz Anonim Şirketi and Subsidiaries

**Condensed consolidated comprehensive income statement
for the three month interim period ended March 31, 2011**

(Amounts are expressed as thousand Turkish Lira (TL) unless otherwise stated, other currencies are also expressed in thousands unless otherwise stated)

	Current period (Not reviewed) January 1- March 31, 2011	Prior period (Not reviewed) January 1- March 31, 2010
Profit for the period	245.204	49.844
Other comprehensive income / (loss):		
Change in valuation fund on financial assets	-	-
Change in financial risk hedging reserve	(141)	(476)
Change in currency translation reserve	(10)	33
Other comprehensive income / (loss) (after tax)	(151)	(443)
Total comprehensive income	245.053	49.401
Attributable to:		
Non-controlling interests	(235)	(230)
Equity holders of the parent	245.288	49.631
	245.053	49.401

The accompanying accounting policies and notes presented between pages 7 and 42 form an integral part of these consolidated financial statements.

(Convenience translation of financial statements originally issued in Turkish)

Aygaz Anonim Şirketi and Subsidiaries

Consolidated statement of changes in equity

for the three month interim period ended March 31, 2011

(Amounts are expressed as thousand Turkish Lira (TL) unless otherwise stated, other currencies are also expressed in thousands unless otherwise stated)

	Share capital	Adjustment to share capital	Valuation fund on financial assets	Inflation adjustments of share capital	Restricted reserves	Financial risk hedging reserve	Currency translation reserve	Retained earnings	Net profit for the period	Equity attributable to equity holders of the parent	Non-controlling interest	Total equity
Balance as of January 1, 2010	300.000	(7.442)	99.491	71.504	364.730	(6.384)	378	577.247	314.604	1.714.128	43.159	1.757.287
Transfers to reserves	-	-	-	-	-	-	-	314.604	(314.604)	-	-	-
Dividends paid	-	-	-	-	-	-	-	-	-	-	(4.148)	(4.148)
Transactions with non-controlling interest (note 3)	-	-	-	-	-	-	-	(1.567)	-	(1.567)	(3.837)	(5.404)
Comprehensive income / (loss) for the period	-	-	-	-	-	(476)	33	-	50.074	49.631	(230)	49.401
Balance as of March 31, 2010	300.000	(7.442)	99.491	71.504	364.730	(6.860)	411	890.284	50.074	1.762.192	34.944	1.797.136
Balance as of January 1, 2011	300.000	(7.442)	223.010	71.504	373.230	(5.690)	476	783.489	239.465	1.978.042	35.866	2.013.908
Transfers to reserves	-	-	-	-	11.000	-	-	228.465	(239.465)	-	-	-
Dividends paid (note 17)	-	-	-	-	-	-	-	(125.000)	-	(125.000)	-	(125.000)
Business combinations (note 3)	-	-	-	-	-	-	-	-	-	-	(1.921)	(1.921)
Comprehensive income / (loss) for the period	-	-	-	-	-	(141)	(10)	-	245.439	245.288	(235)	245.053
Balance as of March 31, 2011	300.000	(7.442)	223.010	71.504	384.230	(5.831)	466	886.954	245.439	2.098.330	33.710	2.132.040

The accompanying accounting policies and notes presented between pages 7 and 42 form an integral part of these consolidated financial statements.

(Convenience translation of financial statements originally issued in Turkish)

Aygaz Anonim Şirketi and Subsidiaries

Consolidated cash flow statement

for the three month interim period ended March 31, 2011

(Amounts are expressed as thousand Turkish Lira (TL) unless otherwise stated, other currencies are also expressed in thousands unless otherwise stated)

		Current period (Not reviewed)	Prior period (Not reviewed)
	Notes	January 1- March 31, 2011	January 1- March 31, 2010
Cash flows from operating activities			
Net income before tax		258.683	62.213
Adjustments to reconcile net income before tax to net cash provided by operating activities:			
(Income) / Loss from equity participations	10	(26.249)	(162)
Depreciation of property, plant and equipment	11	16.869	23.760
Depreciation of intangible assets	12	486	511
Sundry provisions		4.418	32.634
Income from revaluation of cost of subsidiary	13	(82.157)	-
Provision for impairment of financial assets	6	43	(13)
Provision for retirement pay		2.242	1.434
Profit of sale of tangible/intangible assets (net)		(1.181)	(278)
Allowance for doubtful receivables		124	96
Accrual for forward expenses		841	-
Interest income	19	(3.510)	(5.892)
Interest expense	19	644	2.495
Sale of subsidiary		(111.780)	-
Operating cash flow before changes in working capital		59.473	116.798
Changes in working capital:			
Trade receivables		12.593	45.452
Due from related parties		(11.504)	5.327
Inventories		13.056	(59.108)
Other receivables and current assets		(31.594)	(22.787)
Trade payables		(50.712)	55.915
Due to related parties		(4.726)	11.108
Other payables and liabilities		(18.257)	2.198
Other non-current receivables and payables		3.402	428
		(28.269)	155.331
Income taxes paid		(12.331)	(10.711)
Retirement pay paid		(1.096)	(792)
Net cash generated from / (used in) operations		(41.696)	143.828
Cash flows from investing activities			
Interest received		2.957	5.892
Purchases for subsidiary shares		-	(5.300)
Cash generated from sale of subsidiary (net)		191.404	-
Purchases for property, plant and equipment	11	(15.903)	(5.879)
Purchases for intangible assets	12	(8)	(469)
Proceeds of sale of tangible/intangible assets		3.495	774
Net cash used in investing activities		181.945	(4.982)
Cash flows from financing activities			
Changes in financial borrowings		(153.348)	(240.231)
Dividends paid to minority interests		-	(4.148)
Net cash generated by / (used in) financing activities		(153.348)	(244.379)
Net increase / (decrease) in cash and cash equivalents		(13.099)	(105.533)
Cash and cash equivalents at the beginning of the period	5	362.887	407.893
Cash and cash equivalents at the end of the period	5	349.788	302.360

The accompanying accounting policies and notes presented between pages 7 and 42 form an integral part of these consolidated financial statements.

(Convenience translation of financial statements originally issued in Turkish)

Aygaz Anonim Şirketi and Subsidiaries

Notes to condensed consolidated financial statements As of March 31, 2011

(Amounts are expressed as thousand Turkish Lira (TL) unless otherwise stated, other currencies are also expressed in thousands unless otherwise stated)

1. Organization and operations of the Company

The main activity of Aygaz Anonim Şirketi ("the Company") is the purchase of liquid petroleum gas (LPG) in bulk from domestic refineries and the overseas market and delivery to retailers for distribution to customers. As a result of the merger in 2001 with Gaz Aletleri A.Ş., the Company started to manufacture LPG cylinders, LPG tanks, LPG stoves and other supplementary materials which support the Company's main business and which are necessary equipment for the end-user. In addition, the Company owns LPG vessels and provides transportation service on behalf of other LPG companies. The ultimate and controlling shareholder is Koç Holding A.Ş.

The Company is registered at the Capital Markets Board of Turkey ("CMB") and 24,27% of its shares have been quoted at the Istanbul Stock Exchange ("ISE").

The address of the registered office of the Company is as follows:

Büyükdere Cad. No: 145/1 Aygaz Han, Zincirlikuyu, 34394 / İstanbul

As of March 31, 2011, number of personnel of Aygaz and its subsidiaries (together with referred to as "the Group") is 1.456 (December 31, 2010: 1.452).

Subsidiaries

Mogaz Petrol Gazları A.Ş. ("Mogaz"), a subsidiary of the Company, is a LPG distribution company. The Group has purchased 2,1% share of Mogaz in March 2010 by paying TL 5.300 thousand and raised Group's effective control to 100%. According to the related purchase, Group's effective control on subsidiaries has been changed as shown in the following table.

Akpa Dayanıklı Tüketim LPG ve Akaryakıt Ürünleri Pazarlama A.Ş. ("Akpa") reached to its current structure with the merger of four subsidiaries of Koç Holding Energy Group at the end of 2001. Before the merger, four companies were operating separately from each other in Bursa, Eskişehir, Ankara and Antalya. At the time of merger the company name was Bursa Gaz ve Ticaret A.Ş., later it was changed to "Akpa Dayanıklı Tüketim Lpg ve Akaryakıt Ürünleri Pazarlama Anonim Şirketi" with the decision of Ordinary General Meeting held on March 17, 2005.

Aygaz Doğal Gaz Toptan Satış A.Ş. (previously "Koç Statoil Gaz Toptan Satış A.Ş.") and Aygaz Doğal Gaz İletim A.Ş. (previously "Koç Statoil Gaz İletim A.Ş.") (together "Aygaz Doğal Gaz") were established in April 2004 with equal shares distribution as a result of the joint venture agreement between Koç Group and Norwegian Statoil Hydro ASA which is one of the leading companies in international fuel and liquid natural gas (LNG) market. The Group has acquired 50% shares of Aygaz Doğal Gaz Toptan Satış A.Ş. and Aygaz Doğal Gaz İletim A.Ş., which were the joint ventures accounted with proportionate consolidation method with effective ownership of 47,99%, from Statoil Hydro ASA paying TL 17.224 thousand for these shares and increased the effective control to 97,99%. In 2010, related to the purchase of Mogaz shares, stated above, the Group's effective control at Aygaz Doğal Gaz has been raised to 99,00%.

(Convenience translation of financial statements originally issued in Turkish)

Aygaz Anonim Şirketi and Subsidiaries

Notes to condensed consolidated financial statements (continued)

As of March 31, 2011

(Amounts are expressed as thousand Turkish Lira (TL) unless otherwise stated, other currencies are also expressed in thousands unless otherwise stated)

1. Organization and operations of the Company (continued)

Within July 2010, the Company has restructured its shipping operations under new legal entities, and established Anadoluhisarı Tankercilik A.Ş. ("Anadolu Hisarı"), Kandilli Tankercilik A.Ş. ("Kandilli"), Kuleli Tankercilik A.Ş. ("Kuleli") and Kuzguncuk Tankercilik A.Ş. ("Kuzguncuk") with an effective ownership interest of 100%. The main activities of these companies are to purchase, build or rent vessels and to operate them in domestic and/or overseas transportation of crude oil, petroleum products, liquid petroleum gas, natural gas and solid, liquid and liquefied products.

The details of the Group's subsidiaries are as follows:

Subsidiaries	Place of incorporation and operation	Ownership interest (%)			Principal activity
		March 31, 2011	December 31, 2010	Voting power right	
Akpa	Turkey	99,99%	99,99%	99,99%	Marketing
Mogaz	Turkey	100%	100%	100%	LPG
Entek (*)	Turkey	-	86,09%	-	Electricity
Eltek (*)	Turkey	-	86,09%	-	Electricity
Aygaz Doğal Gaz Toptan Satış A.Ş.	Turkey	99,00%	99,00%	99,00%	LNG
Aygaz Doğal Gaz İletim A.Ş.	Turkey	99,00%	99,00%	99,00%	LNG
Anadolu Hisarı	Turkey	100%	100%	100%	Shipping
Kandilli	Turkey	100%	100%	100%	Shipping
Kuleli	Turkey	100%	100%	100%	Shipping
Kuzguncuk	Turkey	100%	100%	100%	Shipping

(*) As explained in note 3 in detail, related with the sales of shares in February 2011, the investments are classified as joint ventures and accounted as proportional consolidation.

Investments in associates

In December 2005, Enerji Yatırımları A.Ş. ("EYAŞ") was established to acquire 51% block shares of Türkiye Petrol Rafinerileri A.Ş. ("TÜPRAŞ") to participate in the Tüpraş's management and its operational decisions as well to operate in oil refinery related sectors in Turkey.

The details of the Group's associates are as follows:

Investments in associates	Place of incorporation and operation	Ownership interest (%)			Principal activity
		March 31, 2011	December 31, 2010	Voting power right	
EYAŞ	Turkey	20,00%	20,00%	20,00%	Energy
Zinerji (*)	Turkey	56,00%	56,00%	56,00%	Energy

(*) Since Zinerji is a dormant company, it is accounted with equity method in the accompanying consolidated financial statements even though the ownership of the Group is 56%.

Aygaz Anonim Şirketi and Subsidiaries

Notes to condensed consolidated financial statements (continued)

As of March 31, 2011

(Amounts are expressed as thousand Turkish Lira (TL) unless otherwise stated, other currencies are also expressed in thousands unless otherwise stated)

1. Organization and operations of the Company (continued)

Joint ventures

Entek Elektrik Üretimi A.Ş. ("Entek") operates as electricity producer with its' 3 facilities in Bursa, İzmit and İstanbul. In 2009, 15,51% of shares were purchased by the Group and this purchase raised Group's effective control to 86,01%. In 2010, related to the purchase of Mogaz shares stated above, the Group's effective control on Entek has been raised to 86,09%. As explained in note 3 in detail, Group has decided to sell 49,62% shares of Entek, which was the Group's subsidiary with 86,09% ownership, to AES Mont Blanc Holdings B.V. Accordingly, the Group's effective control has decreased to 36,47% and classified to joint venture and accounted as proportional consolidation.

Eltek Elektrik Enerjisi İthalat İhracat ve Toptan Ticaret A.Ş. ("Eltek"), was established at the end of 2003 with 46% participation of Entek and mainly engaged in wholesale, purchase, export and import of electricity. In July, 2010 Entek has purchased 54% of Eltek's shares by paying TL 1.836 thousand and accordingly the effective control has increased to 100%.

Joint ventures	Place of incorporation and operation	Ownership interest (%)			Principal activity
		March 31, 2011	December 31, 2010	Voting power right (*)	
Entek	Turkey	36,47%	86,09%	49,62%	Electricity

(*) The Group exercises such joint control through the power to exercise the voting rights relating to shares in the companies as a result of ownership interest directly and indirectly by itself and/or as a result of written agreements by certain Koç Family members and companies, whereby the Group exercises control over the voting rights of the shares held by them.

Approval of financial statements:

The consolidated financial tables for the period ended on March 31, 2011 are approved on the Board of Directors meeting held on May 12, 2011 to be published and are signed by Assistant General Manager (Finance) Gökhan Tezel and Subsidiaries and Accounting Director Nurettin Demirtaş.

(Convenience translation of financial statements originally issued in Turkish)

Aygaz Anonim Şirketi and Subsidiaries

Notes to condensed consolidated financial statements (continued)

As of March 31, 2011

(Amounts are expressed as thousand Turkish Lira (TL) unless otherwise stated, other currencies are also expressed in thousands unless otherwise stated)

2. Basis of presentation of financial statements

The Group's condensed consolidated financial statements for the period ended on March 31, 2011 are prepared in accordance with International Accounting Standards ("IAS") 34 "Interim financial reporting standards".

Interim condensed consolidated financial statements do not include all of the disclosures required in year end financial statements and should be evaluated with the Group's financial statements as of December 31, 2010.

Accounting standards used in preparation of the Group's consolidated financial statements are as follows.

2.1 Basis of presentation for consolidated financial statements

The Group maintains its books of account and prepares its statutory financial statements in accordance with accounting principles in the Turkish Commercial Code and tax legislation in Turkish Lira (TL).

Capital Market Board of Turkey ("CMB") published a comprehensive set of accounting principles in accordance with the Decree Serial: XI, No: 29 on "The Decree for Capital Markets Accounting Standards". This decree is applicable for the first interim financial statements ended subsequent to 1 January 2008 period. The supplementary decree Serial: XI, No: 29 was issued as an amendment to Decree Serial: XI, No: 25 and states that, the financial statements will be prepared in accordance with the International Financial Reporting Standards ("IAS/IFRS") as conceded by the European Union (EU). IAS/IFRS will be applied till the time the differences between the IAS/IFRS and the Turkish Accounting/Financial Reporting Standards ("TAS/TFRS") are declared by the Turkish Accounting Standards Committee (TASC). Therefore, the TAS/TFRS which are in complaint with the applied standards will be adopted.

Consolidated financial statements are prepared on cost basis in thousands of Turkish Lira (TL), except of financial assets and liabilities shown in fair value.

2.2 Changes in accounting policies

The accounting policies adopted in the preparation of the condensed interim consolidated financial statements are consistent with those followed in the preparation of the financial statements of the prior year and for the year ended December 31, 2010 and applicable beginning from January 1, 2011.

As explained in Note 3 in detail Entek has been proportionally consolidated in accordance with IAS 31 "Interests in joint ventures".

Aygaz Anonim Şirketi and Subsidiaries

Notes to condensed consolidated financial statements (continued)

As of March 31, 2011

(Amounts are expressed as thousand Turkish Lira (TL) unless otherwise stated, other currencies are also expressed in thousands unless otherwise stated)

2. Basis of presentation of financial statements (continued)

2.3 Comparative information and restatement of prior period financial statements

Consolidated financial statements of the Group have been prepared comparatively with the prior period in order to give information about financial position and performance. In case it is necessary, comparative financial statements are reclassified and significant differences are explained, in order to maintain consistency with current year financial statements. In order to provide an accurate comparison with current period consolidated balance sheet and income statement, below mentioned reclassifications have been made in March 31, 2010 consolidated income statement.

- Re-classifications have been made in the consolidated income statement for the period ended in March 31, 2010, to reflect expenses related to sea-transportation services in "cost of sales" account.
- In the consolidated income statement for the period ended March 31, 2010, foreign exchange gains and losses in "Financial income" and "Finance expense" accounts are reflected with gross amounts. Accordingly such balances have been increased by TL 32.898 thousand.

New and amended standards and interpretations:

The accounting policies adopted in the preparation of the consolidated financial statements as at 31 March 2011 are consistent with those followed in the preparation of the consolidated financial statements of the prior year, except for the adoption of new standards and IFRIC interpretations summarized below. The effects of these standards and interpretations on the Group's financial position and performance have been disclosed in the related paragraphs.

The new standards, amendments and interpretations which are effective as at 1 January 2011 are as follows:

IFRIC 19 Extinguishing Financial Liabilities with Equity Instruments

This interpretation addresses the accounting treatment when there is a renegotiation between the entity and the creditor regarding the terms of a financial liability and the creditor agrees to accept the entity's equity instruments to settle the financial liability fully or partially. IFRIC 19 clarifies such equity instruments are "consideration paid" in accordance with paragraph 41 of IAS 39. As a result, the financial liability is derecognised and the equity instruments issued are treated as consideration paid to extinguish that financial liability.

IFRIC 14 Prepayments of a Minimum Funding Requirement (Amended)

The purpose of this amendment was to permit entities to recognise as an asset some voluntary prepayments for minimum funding contributions.

IAS 32 Classification on Rights Issues (Amended)

This amendment relates to the rights issues offered for a fixed amount of foreign currency which were treated as derivative liabilities by the existing standard. The amendment states that if certain criteria are met, these should be classified as equity regardless of the currency in which the exercise price is denominated.

Aygaz Anonim Şirketi and Subsidiaries

Notes to condensed consolidated financial statements (continued)

As of March 31, 2011

(Amounts are expressed as thousand Turkish Lira (TL) unless otherwise stated, other currencies are also expressed in thousands unless otherwise stated)

2. Basis of presentation of financial statements (continued)

IAS 24 Related Party Disclosures (Revised)

This revision relates to the judgment which is required so as to assess whether a government and entities known to the reporting entity to be under the control of that government are considered a single customer. In assessing this, the reporting entity shall consider the extent of economic integration between those entities.

In May 2010 the IASB issued its third omnibus of amendments to its standards, primarily with a view to removing inconsistencies and clarifying wording. There are separate transitional provisions for each standard. The amendments that are effective as at January 1, 2011 are as follows:

IFRS 3 Business Combinations

This improvement clarifies that the amendments to IFRS 7 Financial Instruments: Disclosures, IAS 32 Financial Instruments: Presentation and IAS 39 Financial Instruments: Recognition and Measurement, that eliminate the exemption for contingent consideration, do not apply to contingent consideration that arose from business combinations whose acquisition dates precede the application of IFRS 3 (as revised in 2008).

Moreover, this improvement limits the scope of the measurement choices (fair value or at the present ownership instruments' proportionate share of the acquiree's identifiable net assets) only to the components of non-controlling interest that are present ownership interests that entitle their holders to a proportionate share of the entity's net assets.

Finally, it requires an entity (in a business combination) to account for the replacement of the acquiree's share-based payment transactions (whether obliged or voluntarily), i.e., split between consideration and post combination expenses.

IFRS 7 Financial Instruments: Disclosures

This improvement gives clarifications of disclosures required by IFRS 7 and emphasises the interaction between quantitative and qualitative disclosures and the nature and extent of risks associated with financial instruments.

IAS 1 Presentation of Financial Statements

This amendment clarifies that an entity will present an analysis of other comprehensive income for each component of equity, either in the statement of changes in equity or in the notes to the financial statements.

IAS 27 Consolidated and Separate Financial Statements

This improvement clarifies that the consequential amendments from IAS 27 made to IAS 21 "The Effect of Changes in Foreign Exchange Rates", IAS "28 Investments in Associates" and IAS 31 "Interests in Joint Ventures".

Aygaz Anonim Şirketi and Subsidiaries

Notes to condensed consolidated financial statements (continued)

As of March 31, 2011

(Amounts are expressed as thousand Turkish Lira (TL) unless otherwise stated, other currencies are also expressed in thousands unless otherwise stated)

2. Basis of presentation of financial statements (continued)

IAS 34 Interim Financial Reporting

This improvement provides guidance to illustrate how to apply disclosure principles in IAS 34 and add disclosure requirements.

IFRIC 13 Customer Loyalty Programmes

This improvement clarifies that when the fair value of award credits is measured based on the value of the awards for which they could be redeemed, the amount of discounts or incentives otherwise granted to customers not participating in the award credit scheme, is to be taken into account.

These new standards, amendments and interpretations have no significant effect on the financial position or the performance of the Group.

Standards issued but not yet effective and not early adopted

Subsequent to the date of approval of December 31, 2010 consolidated financial statements no new standards, interpretations and amendments have been published that are not yet effective for the current reporting period and which the Group has not early adopted.

3. Business combinations

The Group, as declared to public disclosure platform of Turkey on December 1, 2010, in accordance with the board of directors meeting decision held on November 30, 2010, has decided to sell 49,62% shares of its subsidiary Entek with a nominal value of TL 49.079 thousand to be paid in cash, when share transfer procedures are completed, to AES-Mont Blanc Holdings B.V. in exchange of USD 136.455 thousand. As of December 31, 2010, the assets and liabilities of the subsidiary held for sale have been classified as assets and liabilities held for sale in accordance with IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations". At February 28, 2011 the Group, following the permits granted from EMRA and the Competition Authority, has completed the transfer of shares of Entek. Share transfer price of USD 136.455 thousand is paid in cash to the Company. The sales price, as declared in public disclosure dated December 1, 2010, has been revised based on the financial statements of Entek as of February 28, 2011 as USD 149.283 thousand after the preliminary work. The sales price will become definite after finalization of the process.

Sales of Entek shares has been accounted in accordance with IFRS 3 "Business Combinations". Group has calculated revaluated cost of 36,47% of Entek based on the sales price and as of March 31, 2011, has accounted the difference between sales price regarding to sales of Entek shares and net assets value of Entek that belongs to the Group as at sales date as goodwill in the consolidated financial statements in accordance with transition statements of IFRS 3.

Acquisition amount (*)	174.511
Acquired net assets (**)	92.354
Goodwill (note 13)	82.157

(*) States the cost of recalculated value of the investment in joint venture.

(**) Provisionally calculated in accordance with IFRS 3.

Aygaz Anonim Şirketi and Subsidiaries

Notes to condensed consolidated financial statements (continued)

As of March 31, 2011

(Amounts are expressed as thousand Turkish Lira (TL) unless otherwise stated, other currencies are also expressed in thousands unless otherwise stated)

3. Business combinations (continued)

The fair value of the identifiable assets and liabilities (49,62%) of Entek used provisionally within scope of IFRS 3 as at the date of acquisition are:

	February 28, 2011
	Fair value recognized on acquisition
Cash and cash equivalents	25.241
Trade receivables	14.852
Due from related parties	2.090
Property, plant and equipment	111.944
Intangible assets	173
Other assets	5.881
Financial borrowings	(10.456)
Trade payables	(15.689)
Due to related parties	(113)
Deferred tax liabilities	(5.782)
Other liabilities	(2.485)
Net assets (49,62%)	125.656
Non-controlling interest	(33.302)
Total net assets acquired (36,47%)	92.354

As of March 31, 2011, Group has accounted the income amounting to TL 193.937 thousand under "Other operating income" related with the sales of shares of Entek and revaluated cost calculations that amounts to TL 111.780 thousand and TL 82.157 thousand respectively.

The Group's ownership has been decreased to 36,47% after above mentioned sales, and as the sales process had been realized Entek become a joint venture and proportionally consolidated as of March 31, 2011.

Entek has purchased 54% shares of its affiliate Eltek in July 2010 by paying TL 1.836 thousand and raised its ownership to 100%.

The Group has purchased 2,1% of shares of its subsidiary Mogaz in March 2010 by paying TL 5.300 thousand.

Purchase of shares of Mogaz is evaluated under IAS 27 "Consolidated and Separate Financial Statements". Consequently, when shares are purchased from a non parent company, the difference between the purchase cost and net asset purchased are accounted as the "Transactions with non controlling interests" under equity.

Aygaz Anonim Şirketi and Subsidiaries

Notes to condensed consolidated financial statements (continued)

As of March 31, 2011

(Amounts are expressed as thousand Turkish Lira (TL) unless otherwise stated, other currencies are also expressed in thousands unless otherwise stated)

4. Segment information

The Group has started to apply IFRS 8 since 1 January 2009. The segmental operations are specified according to the internal reports reviewed regularly by the authority entitled to making decision for the Group's operations.

The Group's decision taker authority evaluates operations and results according to industrial segments for the purpose of making decisions for assigning resources to the segments and evaluating the segmental performances. The distribution of segmental operations with respect to industrial segments is as follows:

- Gas and petroleum products
- Electricity
- Other

The Group also evaluated disclosure of geographical distribution of revenues for the period in addition to industrial segments. However, the Groups concluded that there is no geographical reporting segments as each segment is operating in different geographical areas. The Group Management evaluates financial results and performance based of IFRS financial statements. Therefore, IFRS financial statements are the basis of segmental reporting.

As of March 31, 2011 and December 31, 2010, assets and liabilities according to industrial segments are as follows:

March 31, 2011					
	Gas and petroleum products	Electricity	Other	Consolidation adjustments	Total
Assets					
Current assets	743.392	44.463	91.471	(16.117)	863.209
Non-current assets	1.767.803	115.979	62.420	(10.840)	1.935.362
Total assets	2.511.195	160.442	153.891	(26.957)	2.798.571
Liabilities					
Short term liabilities	511.699	19.353	46.438	(36.518)	540.972
Long term liabilities	99.967	15.655	4.526	5.411	125.559
Equity	1.899.529	125.434	102.927	4.150	2.132.040
Total liabilities and equity	2.511.195	160.442	153.891	(26.957)	2.798.571

December 31, 2010					
	Gas and petroleum products	Electricity (*)	Other	Consolidation adjustments	Total
Assets					
Current assets	643.577	372.278	123.252	(51.357)	1.087.750
Non-current assets	1.885.960	-	17.970	(188.032)	1.715.898
Total assets	2.529.537	372.278	141.222	(239.389)	2.803.648
Liabilities					
Short term liabilities	476.507	117.747	28.228	(51.427)	571.055
Long term liabilities	208.851	-	4.230	5.604	218.685
Equity	1.844.179	254.602	108.764	(193.637)	2.013.908
Total liabilities and equity	2.529.537	372.349	141.222	(239.460)	2.803.648

(*) As of December 31, 2010, "Entek" has been classified as "Asset held for sale" in accordance with IFRS 5.

Aygaz Anonim Şirketi and Subsidiaries

Notes to condensed consolidated financial statements (continued)

As of March 31, 2011

(Amounts are expressed as thousand Turkish Lira (TL) unless otherwise stated, other currencies are also expressed in thousands unless otherwise stated)

4. Segment information (continued)

For the period ended March 31, 2011 and 2010, income statements according to industrial segments are as follows:

	January 1 - March 31, 2011				
	Gas and petroleum products	Electricity	Other	Consolidation adjustments	Total
Operating income					
Sales revenue (net)	1.121.852	77.638	74.077	(20.801)	1.252.766
Cost of sales (-)	(1.025.760)	(76.270)	(67.912)	21.712	(1.148.230)
Gross profit / (loss)	96.092	1.368	6.165	911	104.536
Marketing, sales and distribution expenses (-)	(37.984)	-	(1.346)	214	(39.116)
General administrative expenses (-)	(20.508)	(2.787)	(2.221)	2	(25.514)
Research and development expenses (-)	(212)	-	-	-	(212)
Other operating income (*)	139.326	1	525	57.825	197.677
Other operating expenses (-)	(1.406)	(1.326)	(9)	(44)	(2.785)
Operating profit / (loss)	175.308	(2.744)	3.114	58.908	234.586
Profit / (loss) from investments accounted under equity method	-	-	-	26.249	26.249
Finance income	65.557	2.603	1.358	(9.000)	60.518
Finance expense (-)	(59.585)	(2.306)	(779)	-	(62.670)
Profit / (loss) from continuing operations before taxation	181.280	(2.447)	3.693	76.157	258.683
Income tax expense for the period (-)	(16.130)	(514)	(502)	(1)	(17.147)
Deferred tax income / (expense)	2.303	1.370	(31)	26	3.668
Profit / (loss) from continuing operations for the period	167.453	(1.591)	3.160	76.182	245.204
Net profit / (loss) for the period	167.453	(1.591)	3.160	76.182	245.204
Attributable to:					
Minority interest	3	-	(238)	-	(235)
Parent company	167.450	(1.591)	3.398	76.182	245.439

(*) As stated in note 3, as of March 31, 2011, Group has accounted the income related with the sales of shares of Entek and revaluated cost calculations under "Other operating income".

(Convenience translation of financial statements originally issued in Turkish)

Aygaz Anonim Şirketi and Subsidiaries

Notes to condensed consolidated financial statements (continued)

As of March 31, 2011

(Amounts are expressed as thousand Turkish Lira (TL) unless otherwise stated, other currencies are also expressed in thousands unless otherwise stated)

4. Segment information (continued)

	January 1 - March 31, 2010				Total
	Gas and petroleum products	Electricity	Other	Consolidation adjustments	
Operating income					
Sales revenue (net)	965.990	60.556	52.819	(22.072)	1.057.293
Cost of sales (-)	(859.107)	(63.197)	(48.655)	21.757	(949.202)
Gross profit / (loss)	106.883	(2.641)	4.164	(315)	108.091
Marketing, sales and distribution expenses (-)	(32.347)	-	(1.251)	42	(33.556)
General administrative expenses (-)	(19.670)	(2.906)	(2.084)	259	(24.401)
Research and development expenses (-)	(185)	-	-	-	(185)
Other operational income	5.448	1.380	724	794	8.346
Other operational expenses (-)	(2.582)	-	(41)	(98)	(2.721)
Operating profit / (loss)	57.547	(4.167)	1.512	682	55.574
Profit / (loss) from investments accounted under equity method	-	-	-	162	162
Finance income	96.075	6.824	889	(59.293)	44.495
Finance expense (-)	(32.985)	(4.716)	(317)	-	(38.018)
Profit / (loss) from continuing operations before taxation	120.637	(2.059)	2.084	(58.449)	62.213
Income tax expense for the period (-)	(13.816)	-	(484)	-	(14.300)
Deferred tax income / (expense)	1.586	333	12	-	1.931
Profit / (loss) from continuing operations for the period	108.407	(1.726)	1.612	(58.449)	49.844
Net profit / (loss) for the period	108.407	(1.726)	1.612	(58.449)	49.844
Attributable to:					
Minority interest	10	(240)	-	-	(230)
Parent company	108.397	(1.486)	1.612	(58.449)	50.074

The amortization and depreciation expense for the industrial segmental assets for the period ended on March 31, 2011 and 2010 are as follows:

	January 1 - March 31, 2011	January 1 - March 31, 2010
Gas and petroleum products	15.694	16.904
Electricity	832	7.260
Other	829	107
	17.355	24.271

(Convenience translation of financial statements originally issued in Turkish)

Aygaz Anonim Şirketi and Subsidiaries

Notes to condensed consolidated financial statements (continued)

As of March 31, 2011

(Amounts are expressed as thousand Turkish Lira (TL) unless otherwise stated, other currencies are also expressed in thousands unless otherwise stated)

4. Segment information (continued)

The investment expenditures for the industrial segmental assets for the periods ended on March 31, 2011 and 2010 are as follows:

	January 1 - March 31, 2011	January 1 - March 31, 2010
Gas and petroleum products	15.619	6.189
Electricity	116	113
Other	176	46
	15.911	6.348

5. Cash and cash equivalents

	March 31, 2011	December 31, 2010
Cash on hand	198	150
Cash at banks	341.979	256.061
- Demand deposits	44.132	56.753
- Time deposits	297.847	199.308
Receivables from credit card transactions	7.611	6.218
Total cash and cash equivalents	349.788	262.429
Cash and cash equivalents of assets held for sale	-	100.458
Cash and cash equivalents at consolidated statement of cash flow	349.788	362.887

As of March 31, 2011 the Group's TL time deposits amounting to TL 219.305 thousand have maturities of 1 – 36 days and interest rates of 4,6 – 7,4%; USD time deposits amounting to USD 49.858 thousand (TL 77.195 thousand) have maturities of 4 - 36 days and interest rates of 0,9 – 5,35%; Euro time deposits amounting to Euro 90 thousand (TL 197 thousand) have a maturity of 1 day and interest rates of 0,25 – 0,60%. (December 31, 2010 - the Group's TL time deposits amounting to TL 128.672 thousand have maturities of 3 - 31 days and interest rates of 5,50 – 9,28%; USD time deposits amounting to USD 12.318 thousand (TL 19.043 thousand) with maturities of 7 - 28 days and interest rates of 0,50 – 2,75%; Euro time deposits amounting to Euro 25.096 thousand (TL 51.228 thousand) have a maturities of 7 - 21 days and interest rates of 0,40 – 3,00%).

Aygaz Anonim Şirketi and Subsidiaries**Notes to condensed consolidated financial statements (continued)****As of March 31, 2011**

(Amounts are expressed as thousand Turkish Lira (TL) unless otherwise stated, other currencies are also expressed in thousands unless otherwise stated)

6. Financial assets

The long term financial assets identified as financial assets held for sale by the Group are as follows as of March 31, 2011 and December 31, 2010:

	March 31, 2011		December 31, 2010	
	Participation amount	Participation rate %	Participation amount	Participation rate %
Koç Finansal Hizmetler A.Ş. (*)	325.050	1,97	325.050	1,97
Ram Dış Ticaret A.Ş. (**)	1.740	2,50	1.740	2,50
Tanı Pazarlama ve İletişim Hizmetleri A.Ş.(***)	540	10,00	540	10,00
Tat Konserve Sanayi A.Ş. (**)	236	0,08	236	0,08
Other (***)	23	-	23	-
Impairment reserve (-)	(1.184)	-	(1.141)	-
	326.405		326.448	

(*) Stated at fair value, the difference between the acquisition cost and fair value are accounted as valuation fund under equity by considering the deferred tax effect.

(**) Stated at fair value, impairments are accounted as "Impairment reserve" under financial assets and impairment loss is recognised.

(***) Stated at cost, because fair value could not be determined reliably.

7. Financial borrowings**a) Short term bank borrowings**

	March 31, 2011	Interest rate (%)	December 31, 2010	Interest rate (%)
Short term borrowings (TL)	1.501	-	1.800	-
Short term portions of long term borrowings (*)	48	-	805	-
Total short term bank borrowings	1.549		2.605	

(*) Includes interest accruals of long term borrowings.

b) Long term bank borrowings

	March 31, 2011			December 31, 2010		
	Foreign currency amount	TL amount	Interest rate (%)	Foreign currency amount	TL amount	Interest rate (%)
Long term borrowings (*)						
Euro borrowings	-	-	-	53.000	109.407	Euribor + 2,75
USD borrowings	6.481	10.036	Libor + 3	-	-	-
Less, short term portion		(48)			(805)	
Total long term borrowings		9.988			108.602	

(*) TL amounts also include interest accruals.

(Convenience translation of financial statements originally issued in Turkish)

Aygaz Anonim Şirketi and Subsidiaries

Notes to condensed consolidated financial statements (continued)

As of March 31, 2011

(Amounts are expressed as thousand Turkish Lira (TL) unless otherwise stated, other currencies are also expressed in thousands unless otherwise stated)

7. Financial borrowings (continued)

As of March 31, 2011 and December 31, 2010 repayment plan of the Group's long term borrowings is as follows:

	March 31, 2011	December 31, 2010
2012	9.988	108.602
	9.988	108.602

Considering the current financial situation, future plans and market conditions of the Company; the remaining portion of the borrowing, that was indebted through the loan provided by Koç Holding from a consortium that includes various financial institutions, amounting to EUR 53 million with 27 month maturity (April 24, 2012) and Euribor+ 2, 75% interest rate is closed earlier than its maturity together with its accumulated interest as of January 28, 2011.

8. Trade receivables and payables

The Group's trade receivables as March 31, 2011 and December 31, 2010 are as follows:

Current trade receivables	March 31, 2011	December 31, 2010
Trade receivables	247.181	218.352
Notes receivables	46.807	44.832
Allowance for doubtful receivables (-)	(14.001)	(13.957)
Total current trade receivables	279.987	249.227

Non-current trade receivables	March 31, 2011	December 31, 2010
Notes receivables	1.733	847
Total non-current trade receivables	1.733	847

The Group's trade payables as March 31, 2011 and December 31, 2010 are as follows:

Short term trade payables	March 31, 2011	December 31, 2010
Trade payables	163.296	189.719
Other trade payables	59	101
Total short term trade payables	163.355	189.820

(Convenience translation of financial statements originally issued in Turkish)

Aygaz Anonim Şirketi and Subsidiaries

Notes to condensed consolidated financial statements (continued)

As of March 31, 2011

(Amounts are expressed as thousand Turkish Lira (TL) unless otherwise stated, other currencies are also expressed in thousands unless otherwise stated)

9. Inventories

	March 31, 2011	December 31, 2010
Raw materials	105.623	124.292
Goods in transit	13.766	21.633
Trade goods	17.770	7.796
Finished goods	7.312	4.483
Work in process	1.259	582
Allowance for impairment on inventory (-)	(229)	(229)
Total inventories	145.501	158.557

As of March 31, 2011, the inventories compromise of 41.055 tons of LPG. (December 31, 2010: 53.023 tons).

10. Equity investments

	March 31, 2011		December 31, 2010	
	Participation amount	Participation rate %	Participation amount	Participation rate %
Enerji Yatırımları A.Ş. acquisition value	669.400		669.400	
Adjustment to share capital	(7.442)		(7.442)	
Currency translation reserve	466		476	
Legal reserves	5.107		3.195	
Financial risk hedge fund	(5.831)		(5.690)	
The share of the Group in the profit after the acquisition date	217.210		192.874	
	878.910	20,00%	852.813	20,00%
Zinerji Enerji Sanayi ve Tic. A.Ş.	738		738	
Impairment reserve (-)	(374)		(375)	
	364		363	56,00%
Total	879.274		853.176	

(Convenience translation of financial statements originally issued in Turkish)

Aygaz Anonim Şirketi and Subsidiaries

Notes to condensed consolidated financial statements (continued)

As of March 31, 2011

(Amounts are expressed as thousand Turkish Lira (TL) unless otherwise stated, other currencies are also expressed in thousands unless otherwise stated)

11. Property, plant and equipment

	Land	Land improvements	Buildings	Plant, machinery, equipment and LPG cylinders	Vehicles and vessels	Furniture and fixtures	Leasehold improvements	Construction in progress (*)	Total
Acquisition cost									
Opening balance as of January 1, 2011	15.531	96.551	62.788	1.442.704	168.166	46.421	22.188	7.976	1.862.325
Business combinations (note 3)	5.958	4.082	5.876	190.871	29	1.289	501	4.976	213.582
Additions	-	-	-	2.062	145	52	-	13.644	15.903
Transfers	-	-	-	6.829	172	366	-	(7.375)	(8)
Disposals	-	(180)	(1.020)	(6.683)	(3.353)	(9)	-	-	(11.245)
Ending balance as of March 31,2011	21.489	100.453	67.644	1.635.783	165.159	48.119	22.689	19.221	2.080.557
Accumulated depreciation									
Opening balance as of January 1, 2011	-	39.287	39.758	1.114.113	136.314	36.311	21.236	-	1.387.019
Business combinations (note 3)	-	2.638	1.717	95.757	29	1.096	401	-	101.638
Charge of the period	-	892	346	13.541	1.147	809	134	-	16.869
Transfers	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	(5.800)	(3.313)	(4)	-	-	(9.117)
Ending balance as of March 31,2011	-	42.817	41.821	1.217.611	134.177	38.212	21.771	-	1.496.409
Net book value as of March 31, 2011	21.489	57.636	25.823	418.172	30.982	9.907	918	19.221	584.148

(*) TL 8 thousand under construction in progress under the account property, plant and equipment has been classified to intangible fixed assets.

(Convenience translation of financial statements originally issued in Turkish)

Aygaz Anonim Şirketi and Subsidiaries

Notes to condensed consolidated financial statements (continued)

As of March 31, 2011

(Amounts are expressed as thousand Turkish Lira (TL) unless otherwise stated, other currencies are also expressed in thousands unless otherwise stated)

11. Property, plant and equipment (continued)

	Land	Land improvements	Buildings	Plant, machinery, equipment and LPG cylinders	Vehicles and vessels	Furniture and fixtures	Leasehold improvements	Construction in progress	Total
Acquisition cost									
Opening balance as of January 1, 2010	29.635	100.574	72.626	1.805.959	157.364	46.856	23.001	6.741	2.242.756
Additions	-	3	-	4.326	94	340	181	934	5.878
Transfers	-	48	(48)	(7.188)	7.340	3	-	(155)	-
Disposals	-	-	-	(8.796)	(597)	(1.191)	-	-	(10.584)
Ending balance as of March 31, 2010	29.635	100.625	72.578	1.794.301	164.201	46.008	23.182	7.520	2.238.050
Accumulated depreciation									
Opening balance as of January 1, 2010	-	40.953	41.261	1.262.776	128.505	37.361	20.490	-	1.531.346
Charge for the period	-	951	542	20.078	956	823	409	-	23.759
Transfers	-	-	-	(5.117)	5.117	-	-	-	-
Disposals	-	-	-	(8.590)	(531)	(967)	-	-	(10.088)
Ending balance as of March 31, 2010	-	41.904	41.803	1.269.147	134.047	37.217	20.899	-	1.545.017
Net book value as of March 31, 2010	29.635	58.721	30.775	525.154	30.154	8.791	2.283	7.520	693.033

Aygaz Anonim Şirketi and Subsidiaries

Notes to condensed consolidated financial statements (continued)

As of March 31, 2011

(Amounts are expressed as thousand Turkish Lira (TL) unless otherwise stated, other currencies are also expressed in thousands unless otherwise stated)

12. Intangible assets

	Rights	Other intangible fixed assets	Total
Acquisition costs			
Opening balance as of January 1, 2011	16.214	-	16.214
Business combinations (note 3)	230	324	554
Additions	8	-	8
Disposals	(186)	-	(186)
Transfers (*)	8	-	8
Ending balance as of March 31, 2011	16.274	324	16.598
Accumulated depreciation			
Opening balance as of January 1, 2011	8.495	-	8.495
Business combinations (note 3)	119	262	381
Charge for the period	480	6	486
Disposals	-	-	-
Ending balance as of March 31, 2011	9.094	268	9.362
Carrying value as of March 31, 2011	7.180	56	7.236

(*) TL 8 thousand under construction in progress under the account property, plant and equipment has been classified to intangible fixed assets.

	Rights	Other intangible fixed assets	Total
Acquisition costs			
Opening balance as of January 1, 2010	15.306	642	15.948
Additions	469	-	469
Ending balance as of March 31, 2010	15.775	642	16.417
Accumulated depreciation			
Opening balance as of January 1, 2010	11.518	473	11.991
Charge for the period	511	-	511
Ending balance as of March 31, 2010	12.029	473	12.502
Carrying value as of March 31, 2010	3.746	169	3.915

Aygaz Anonim Şirketi and Subsidiaries

Notes to condensed consolidated financial statements (continued)

As of March 31, 2011

(Amounts are expressed as thousand Turkish Lira (TL) unless otherwise stated, other currencies are also expressed in thousands unless otherwise stated)

13. Goodwill

As stated in note 3, the Group has sold 49,62% of Entek, which was the Group's subsidiary with 86,09% effective ownership, to AES Mont Blanc Holdings B.V. Group has calculated the revaluated cost of 36,47% of Entek based on the sales price and as of March 31, 2011, has accounted TL 82.157 thousand, the difference between sales price regarding to sales of Entek shares and net assets value of Entek that belongs to the Group as at February 28, 2011 as goodwill in the consolidated financial statements in accordance with transition statements of IFRS 3.

14. Provisions, contingent liabilities and assets

Guarantees given	March 31, 2011	December 31, 2010
Letter of guarantees given to customs for gas import	34.990	33.807
Other letter of guarantees given	9.669	33.755
	44.659	67.562

The liability for environmental pollution:

According to the effective environmental laws, the Group is responsible for the environmental pollution it causes as a result of its operational activities without seeking a reason of defaulting. The Group may be fined with indemnity if the Group causes an environmental pollution. As of the balance sheet date, there is no case opened against the Group.

National inventory reserve liability:

Oil refineries, licenced oil and LPG distributors should carry at least equivalent of 20 times their average daily sales of inventory in their storage tanks or the rented storage tanks of licenced third parties.

Commitments of EYAŞ resulting from acquisition of Tüpraş:

The agreements of EYAŞ related with the loans taken for Tüpraş acquisition have certain covenants regarding dividend distribution of EYAŞ and usage of dividend payments of Tüpraş. Moreover, EYAŞ has various financial and non-financial commitments related to these loans and acquisition of Tüpraş. If these commitments are not met by EYAŞ, the financial institutions have rights to recall these loans.

(Convenience translation of financial statements originally issued in Turkish)

Aygaz Anonim Şirketi and Subsidiaries

Notes to condensed consolidated financial statements (continued)

As of March 31, 2011

(Amounts are expressed as thousand Turkish Lira (TL) unless otherwise stated, other currencies are also expressed in thousands unless otherwise stated)

14. Provisions, contingent liabilities and assets (continued)

The Company's guarantee, pledge and mortgage (GPM) position as at March 31, 2011 and December 31, 2010 is as follows:

	March 31, 2011				December 31, 2010			
	Euro guarantees	USD guarantees	TL guarantees	TL total	Euro guarantees	USD guarantees	TL guarantees	TL guarantees
A. GPMs given on behalf of the Company's legal personality	24.188	370	20.101	44.659	22.699	23.551	21.312	67.562
B. GPMs given in favor of subsidiaries included in full consolidation	-	-	-	-	-	-	-	-
C. GPMs given by the Company for the liabilities of 3rd parties in order to run ordinary course of business	-	-	-	-	-	-	-	-
D. Other GPM's								
i. - GPMs given in favor of parent company	-	-	-	-	-	-	-	-
ii. - GPMs given in favor of companies not in the scope of B and C above	-	-	-	-	-	-	-	-
iii. - GPMs given in favor of third party companies not in the scope of C above	-	-	-	-	-	-	-	-
Total amount of GPM	24.188	370	20.101	44.659	22.699	23.551	21.312	67.562

(Convenience translation of financial statements originally issued in Turkish)

Aygaz Anonim Şirketi and Subsidiaries

Notes to condensed consolidated financial statements (continued)

As of March 31, 2011

(Amounts are expressed as thousand Turkish Lira (TL) unless otherwise stated, other currencies are also expressed in thousands unless otherwise stated)

15. Other liabilities

Other payables	March 31, 2011	December 31, 2010
Dividends payable to shareholders	125.267	267
Due to personnel	1.616	17.880
Other payables	11	10
Total other payables	126.894	18.157

Other long term payables	March 31, 2011	December 31, 2010
Cylinder deposits received	54.331	53.299
Total other long term payables	54.331	53.299

16. Other assets and liabilities

Other current assets	March 31, 2011	December 31, 2010
Prepaid expenses	27.783	23.386
Advances given for inventories	3.921	544
VAT deductible	2.856	1.611
VAT carried forward	2.421	91
Income accrual	523	56
Prepaid tax	45	26
Other current assets	2.756	1.387
Total other current assets	40.305	27.101

Other non-current assets	March 31, 2011	December 31, 2010
Prepaid expenses	48.299	51.044
Advances given for property, plant and equipment purchases	1.617	1.214
Other non-current assets	4.376	-
Total other non-current assets	54.292	52.258

Other short term liabilities	March 31, 2011	December 31, 2010
Taxes and funds payable	78.570	77.932
Expense accruals	37.188	33.988
Social security premiums payable	2.022	1.907
Other liabilities	3.776	3.189
Total other short term liabilities	121.556	117.016

(Convenience translation of financial statements originally issued in Turkish)

Aygaz Anonim Şirketi and Subsidiaries

Notes to condensed consolidated financial statements (continued)

As of March 31, 2011

(Amounts are expressed as thousand Turkish Lira (TL) unless otherwise stated, other currencies are also expressed in thousands unless otherwise stated)

17. Share capital

As of March 31, 2011 and December 31, 2010 the share capital held is as follows:

Shareholders	Participation rate	March 31, 2011	Participation rate	December 31, 2010
Koç Holding A.Ş.	40,68%	122.054	40,68%	122.054
Liquid Petroleum Gas Development Company	24,52%	73.546	24,52%	73.546
Temel Ticaret ve Yatırım A.Ş.	5,29%	15.884	5,29%	15.884
Koç Family	5,24%	15.705	5,24%	15.705
Other	24,27%	72.811	24,27%	72.811
Nominal capital	100,00%	300.000	100,00%	300.000
Inflation adjustment		71.504		71.504
Adjusted capital		371.504		371.504

In the Ordinary General Meeting held on March 30, 2011, the Company has decided to reserve TL 11.000 thousand as legal reserves and distribute totally TL 125.000 thousand as gross dividends from the net distributable income of 2010. According to this decision, the Company has begun dividend payments on April 6, 2011. As of March 31, 2011 such dividend liabilities has been reflected under other payables.

18. Earnings per share

Earnings per share for each class of share disclosed in the consolidated income statements is determined by dividing the net income attributable to that class of share by the weighted average number of shares of that class that have been outstanding during the year.

The companies can increase their share capital by making a pro-rata distribution of shares ("bonus shares") to existing shareholders from retained earnings and revaluation surplus calculated. In earnings per share calculation, this bonus share issuance is accepted as shares issued. Hence, weighted average stock share, which is used in the calculation of earning per share, is acquired by retrospective application of bonus share issue.

(Convenience translation of financial statements originally issued in Turkish)

Aygaz Anonim Şirketi and Subsidiaries

Notes to condensed consolidated financial statements (continued)

As of March 31, 2011

(Amounts are expressed as thousand Turkish Lira (TL) unless otherwise stated, other currencies are also expressed in thousands unless otherwise stated)

18. Earnings per share (continued)

Earning per share in terms of share groups is as follows:

	January 1, March 31, 2011	January 1, March 31, 2010
Average number of ordinary shares outstanding during the period (one thousand)	300.000	300.000
Net profit for the year attributable equity holders of the parent company	245.439	50.074
Less: Profit/ (loss) for the year from discontinued operations	-	-
Net profit for the purposes of basic earnings per share from continuing operations	245.439	50.074
Basic earnings per share from continuing and discontinued operations(one thousand shares)	0,81813	0,16691
Basic earnings per share from continuing operations - Per one thousand of ordinary shares (TL)	0,81813	0,16691
Basic earnings per share from discontinued operations - Per one thousand of ordinary shares (TL)	-	-

19. Finance income/(expense)

Finance income for the period ended March 31, 2011 and 2010 are as follows:

	January 1- March 31, 2011	January 1- March 31, 2010
Foreign exchange translation revenue	53.017	36.002
Income generated from maturity differences of sales made on credit	3.991	2.601
Interest income	3.510	5.892
Total finance income	60.518	44.495

Finance expense for the periods ended March 31, 2011 and 2010 are as follows:

	January 1- March 31, 2011	January 1- March 31, 2010
Foreign exchange translation loss	(58.209)	(32.898)
Expense from maturity differences of purchases on credit	(2.866)	(1.523)
Fair value differences on forward transactions	(841)	-
Interest expense	(644)	(2.495)
Credit commission expense	-	(1.090)
Other financial expenses	(110)	(12)
Total finance expense	(62.670)	(38.018)

(Convenience translation of financial statements originally issued in Turkish)

Aygaz Anonim Şirketi and Subsidiaries

Notes to condensed consolidated financial statements (continued)

As of March 31, 2011

(Amounts are expressed as thousand Turkish Lira (TL) unless otherwise stated, other currencies are also expressed in thousands unless otherwise stated)

20. Tax assets and liabilities

	March 31, 2011	December 31, 2010
Current tax liability;		
Current corporate tax provision	17.001	46.348
Less: Prepaid taxes and funds	(141)	(34.177)
	16.860	12.171

	January 1- March 31, 2011	January 1- March 31, 2010
Tax expense in income statement		
From continuing operations		
Current tax liability;		
Current corporate tax provision	(17.147)	(14.300)
Deferred tax income/(expense)	3.668	1.931
	(13.479)	(12.369)

Corporate tax

The Company is subject to Turkish corporate taxes. Provision is made in the accompanying financial statements for the estimated charge based on the Group's results for the years and periods.

Corporate tax is applied on taxable corporate income, which is calculated from the statutory accounting profit by adding back non-deductible expenses, and by deducting dividends received from resident companies, other exempt income and investment incentives utilized.

The effective rate of tax in 2011 is 20% (2010: 20%).

In Turkey, advance tax returns are filed on a quarterly basis. The advance corporate income tax rate in 2011 is 20% (2010: 20%). Losses are allowed to be carried 5 years maximum to be deducted from the taxable profit of the following years. Tax carry back is not allowed.

In Turkey, there is no procedure for a final and definitive agreement on tax assessments. Companies file their tax returns between 1-25 April following the close of the accounting year to which they relate. Tax authorities may, however, examine such returns and the underlying accounting records and may revise assessments within five years.

The Group recognizes deferred tax assets and liabilities based upon temporary differences arising between its financial statements as reported for IFRS purposes and its statutory tax financial statements. These differences usually result in the recognition of income and expenses in different reporting periods for IFRS and tax purposes and they are given below.

Aygaz Anonim Şirketi and Subsidiaries

Notes to condensed consolidated financial statements (continued)

As of March 31, 2011

(Amounts are expressed as thousand Turkish Lira (TL) unless otherwise stated, other currencies are also expressed in thousands unless otherwise stated)

20. Tax assets and liabilities (continued)

Income withholding tax

In addition to corporate taxes, companies should also calculate income withholding taxes and funds surcharge on any dividends distributed, except for companies receiving dividends who are resident companies in Turkey and Turkish branches of foreign companies. The rate of income withholding tax is 15% starting from April 24, 2003. This rate was changed to 15% commencing from July 23, 2006. Undistributed dividends incorporated in share capital are not subject to income withholding taxes.

Withholding tax at the rate of 19,8% is still applied to investment allowances relating to investment incentive certificates obtained prior to April 24, 2003. Subsequent to this date, companies can deduct 40% of the investments within the scope of the investment incentive certificate and that are directly related to production facilities of the Company. The investments without investment incentive certificates do not qualify for tax allowance.

Investment incentives certificates

Investment incentive certificates are revoked commencing from January 1, 2006. If companies cannot use investment incentive due to inadequate profit as of December 31, 2005, such outstanding investment incentive can be carried forward to following years so as to be deducted from taxable income of subsequent profitable years. However the companies can deduct the carried forward outstanding allowance from 2006, 2007 and 2008 taxable income. The investment incentive amount that cannot be deducted from 2008 taxable income will not be carried forward to following years. The Constitutional Court ruled at the meeting held on October 15, 2009 for the cancellation of such legal arrangement, as it is concluded to be against constitutional rights, that eliminates the acquired rights. In accordance with the related ruling by the court, the time limitation on investment incentives was repealed. The decision has been published in Official Gazette on January 8, 2010.

A new arrangement related to implementation of investment incentives has been introduced in Law no:5, dated August 1, 2010 and published in Official Gazette No: 27659. With this new arrangement and the decision of Supreme Court, no time limit has been mentioned related to usage of investment incentives circulating form 2005, but the usage of investment incentive is limited to 25% of the revenue. Accordingly taxpayers are required to pay 20% of their remaining 75% revenue, after using investment incentives, as corporate tax.

Entek Elektrik Üretimi A.Ş., Group's joint venture has investment incentives with withholding tax amounting to TL 186.401 thousand and investment incentives without withholding tax amounting to TL 21.868 thousand. The Group's management, according to their projections, have calculated deferred tax asset on investment incentives to be used in potential future income.

Deferred tax assets and liabilities

The Group recognizes deferred tax assets and liabilities based upon temporary differences arising between the financial statements as reported for IFRS purposes and financial statements prepared in accordance with the tax legislation. These differences arise from the differences in accounting periods for the recognition of income and expenses in accordance with IFRS and tax legislation. The rate applied in the calculation of deferred tax assets and liabilities is 20% for 2011 (December 31, 2010: 20%).

(Convenience translation of financial statements originally issued in Turkish)

Aygaz Anonim Şirketi and Subsidiaries

Notes to condensed consolidated financial statements (continued)

As of March 31, 2011

(Amounts are expressed as thousand Turkish Lira (TL) unless otherwise stated, other currencies are also expressed in thousands unless otherwise stated)

20. Tax assets and liabilities (continued)

Deferred tax (assets) / liabilities :	March 31, 2010	December 31, 2010
Restatement and depreciation / amortization differences of property, plant and equipment and other intangible assets	38.375	31.246
Revaluation fund on financial assets	11.737	11.737
Valuation of inventories	469	1.491
Effective interest method adjustment	(30)	(80)
Provision for employment termination benefits	(3.633)	(3.347)
Investment allowance	(2.355)	-
Other	(1.582)	(1.116)
Total	42.981	39.931

As the entities cannot declare consolidated corporate tax, deferred tax assets of subsidiaries cannot be offset with deferred tax liabilities of other subsidiaries and presented separately.

	March 31, 2011			December 31, 2010		
	Deferred tax		Net	Deferred tax		
	Assets	Liabilities		Assets	Liabilities	Net
Aygaz.	(4.448)	37.599	33.151	(4.024)	38.720	34.696
Mogaz	(2.529)	5.690	3.161	(2.482)	6.425	3.943
Akpa	(316)	237	(79)	(249)	140	(109)
Entek	(3.342)	8.689	5.347	-	-	-
Aygaz Dođal Gaz	(36)	1.437	1.401	(22)	1.423	1.401
Total	(10.671)	53.652	42.981	(6.777)	46.708	39.931

Movement of deferred tax from continuing operations is as follows:

Movement of deferred tax (asset) / liability:	January 1- March 31, 2011	January 1- March 31, 2010
Opening balance as of January 1	39.931	48.359
Deferred tax expense / (income)	(3.668)	(1.931)
Business combinations (note 3)	6.718	-
Closing balance as of March 31	42.981	46.428

Aygaz Anonim Şirketi and Subsidiaries**Notes to condensed consolidated financial statements (continued)
As of March 31, 2011**

(Amounts are expressed as thousand Turkish Lira (TL) unless otherwise stated, other currencies are also expressed in thousands unless otherwise stated)

21. Transactions with related parties

A related party is a person or entity that is related to the entity that is preparing its financial statements. Company is controlled by Koç Holding. In financial statements, shareholder companies, shareholders and financial investments and other Group companies' assets are shown as related parties.

Balances with related parties	March 31, 2011			
	Receivables		Liabilities	
	Trade	Non-trade	Trade	Non-trade
Group companies (*)				
Türkiye Petrol Rafinerileri A.Ş.	9.021	-	32.493	-
Ford Otomotiv Sanayi A.Ş.	4.748	-	-	-
Opet Petrolcülük A.Ş.	1.513	-	29.753	-
Zer Merkezi Hizmetler ve Ticaret A.Ş. (**)	1.399	-	1.657	-
Arçelik A.Ş.	1.331	-	28.892	-
Yapı Kredi Bankası A.Ş.	1.087	-	2	-
Demir Export A.Ş.	1.033	-	-	-
Türk Traktör ve Ziraat Makinaları A.Ş.	864	-	-	-
Tofaş Türk Otomobil Fabrikası A.Ş.	701	-	-	-
Otokar Otobüs Karoseri Sanayi A.Ş.	667	-	6	-
R.M.K ve Mahdumları Mad. İnş.Tur.Yat. ve Tic. A.Ş.	483	-	-	-
Koçtaş Yapı Marketleri Ticaret A.Ş.	347	-	111	-
Ram Sigorta Aracılık Hizmetleri A.Ş.(***)	271	-	577	-
Vehbi Koç Vakfı Koç Üniversitesi	260	-	-	-
Tat Konserve Sanayi A.Ş.	243	-	-	-
Otokoç Otomotiv Tic. ve San. A.Ş.	224	-	378	-
Vehbi Koç Vakfı	192	-	-	-
Harranova Besi ve Tarım Ürünleri A.Ş.	132	-	-	-
Palmira Turizm Ticaret A.Ş.	115	-	10	-
Kanel Kangal Elektrik A.Ş.	69	-	-	-
Tek-Art Kalamış ve Fenerbahçe Mar. Tur. Tes. A.Ş.	60	-	-	-
Koç Sistem Bilgi ve İletişim Hizmetleri A.Ş.	58	-	680	-
Marmaris Altinyunus Turistik Tesisleri A.Ş.	58	-	3	-
Altinyunus Çeşme Turistik Tesisler. A.Ş.	43	-	-	-
Düzye Tüketim Malları Pazarlama A.Ş.	43	-	-	-
Arçelik LG Klima San. ve Tic. A.Ş.	35	-	-	-
Yapı Kredi Kültür Sanat Yayıncılık Tic.ve San. A.Ş.	29	-	-	-
Setur Servis Turistik A.Ş.	26	-	183	-
THY Opet Havacılık Yakıtları A.Ş.	15	-	-	-
Ayvalık Marina ve Yat İşl. San. ve Tic. A.Ş.	7	-	-	-
Koç Tüketici Finansmanı A.Ş.	6	-	-	-
Setur Yalova Marina İşletmeciliği A.Ş.	3	-	-	-
Çengelhan Rahmi Koç Müzesi	2	-	-	-
Küsel Ltd.Şti.	1	-	-	-
Ram Dış Ticaret A.Ş.	-	-	8.888	-
Tanı Pazarlama ve İletişim Hizmetleri A.Ş.	-	-	976	-
Ark İnşaat A.Ş.	-	-	688	-
Opet-Fuchs Madeni Yağ A.Ş.	-	-	120	-
Koçnet Haberleşme Teknoloji ve İlet. Hizm. A.Ş.	-	-	105	-
Setair Hava Taşımacılığı ve Hizm. A.Ş.	-	-	11	-
Shareholders				
Koç Holding A.Ş.	20	-	85	-
Investments accounted under equity method				
Zinerji Enerji Sanayi ve Ticaret A.Ş.	326	-	-	-
	25.432	-	105.618	-

(*) Group companies include Koç Group companies.

(**) Zer Merkezi Hizmetler ve Ticaret A.Ş. ("Zer") provides purchasing services for various item to the Group. As of balance sheet date, trade payables consist of Group's payables to third party insurance companies in exchange of insurance services and payables to Ram Sigorta for commissions for intermediary activities.

(***) Ram Sigorta Aracılık Hizmetleri A.Ş. ("Ram Sigorta") provides insurance services to the Group. As of balance sheet date, trade payables consist of Group's payables to third party insurance companies in exchange of insurance services and payables to Ram Sigorta for commissions for intermediary activities.

Aygaz Anonim Şirketi and Subsidiaries**Notes to condensed consolidated financial statements (continued)
As of March 31, 2011**

(Amounts are expressed as thousand Turkish Lira (TL) unless otherwise stated, other currencies are also expressed in thousands unless otherwise stated)

21. Transactions with related parties (continued)

As of March 31, 2011; TL 125.267 thousand (December 31, 2010 – TL 267 thousand), which is reflected within other payables at the consolidated balance sheet, represent mainly the dividends payable related to dividends declared for 2010 profits to the shareholders which will be distributed on April 6, 2011.

Balances with related parties	December 31, 2010			
	Receivables (****)		Payables (****)	
	Trade	Non-trade	Trade	Non-trade
Group companies (*)				
Türkiye Petrol Rafinerileri A.Ş.	9.119	-	19.625	-
Ford Otomotiv Sanayi A.Ş.	6.200	-	-	-
Yapı Kredi Bankası A.Ş.	1.755	-	90	-
Tofaş Türk Otomobil Fabrikası A.Ş.	1.156	-	-	-
Arçelik A.Ş.	828	-	13.382	-
Zer Merkezi Hizmetler ve Ticaret A.Ş.(**)	827	-	8.241	-
Türk Traktör ve Ziraat Makinaları A.Ş.	817	-	7	-
Koçtaş Yapı Marketleri Ticaret A.Ş.	629	-	221	-
Demir Export A.Ş.	498	-	-	-
Opet Petrolcülük A.Ş.	498	-	54.305	-
Otokar Otobüs Karoseri Sanayi A.Ş.	482	-	-	-
Tat Konserve Sanayi A.Ş.	361	-	-	-
Vehbi Koç Vakfı Koç Üniversitesi	357	-	-	-
Vehbi Koç Vakfı Amerikan Hastanesi	298	-	2	-
RMK Marine Gemi Yapım San. ve Deniz Taş. İşl. A.Ş.	180	-	49	-
Palmira Turizm Ticaret A.Ş.	150	-	78	-
Koç Sistem Bilgi ve İletişim Hizmetleri A.Ş.	116	-	4.977	-
Harranova Besi ve Tarım Ürünleri A.Ş.	111	-	-	-
Tek-Art Kalamış ve Fenerbahçe Mar. Tur. Tes. A.Ş.	100	-	-	-
Vehbi Koç Vakfı	76	-	100	-
Marmaris Altinyunus Turistik Tesisleri A.Ş.	72	-	5	-
Kanel Kangal Elektrik A.Ş.	69	-	-	-
Setur Servis Turistik A.Ş.	48	-	245	-
Arçelik LG Klima San. ve Tic. A.Ş.	40	-	-	-
Düzye Tüketim Malları Pazarlama A.Ş.	38	-	117	-
Otokoç Otomotiv Tic. ve San. A.Ş.	36	-	313	-
Yapı Kredi Kültür Sanat Yayıncılık Tic.ve San. A.Ş.	30	-	-	-
Altinyunus Çeşme Turistik Tesisler. A.Ş.	19	-	-	-
THY Opet Havacılık Yakıtları A.Ş.	17	-	-	-
Ayvalık Marina ve Yat İşl. San. ve Tic. A.Ş.	13	-	-	-
Beldesan Otomotiv Yan Sanayii ve Tic. A.Ş.	5	-	-	-
Küsel Ltd.Şti.	2	-	-	-
Ark İnşaat A.Ş.	-	-	1.323	-
Bilkom Bilişim Hizmetleri A.Ş.	-	-	1	-
Koçnet Haberleşme Teknoloji ve İlet. Hizm. A.Ş.	-	-	183	-
Koç Yapı Malzemeleri Ticaret A.Ş.	-	-	3	-
Opet-Fuchs Madeni Yağ A.Ş.	-	-	91	-
Promena Elektronik Ticaret A.Ş.	-	-	21	-
Ram Dış Ticaret A.Ş.	-	-	6.031	-
Ram Sigorta Aracılık Hizmetleri A.Ş. (***)	-	-	116	-
Setair Hava Taşımacılığı ve Hizm. A.Ş.	-	-	189	-
Tanı Pazarlama ve İletişim Hizmetleri A.Ş.	-	-	830	-
Oriente Klassik Giyim San.ve Tic.A.Ş.	-	-	11	-
İltur Gemicilik ve Yat İşletmeleri San. Tic. A.Ş.	-	-	9	-
Callus Bilgi ve İletişim Hizmetleri A.Ş.	-	-	57	-
Shareholders				
Koç Holding A.Ş.	-	-	9	-
Investments accounted under equity method				
Zinerji Enerji Sanayi ve Ticaret A.Ş.	325	-	-	-
	25.272	-	110.631	-

(*) Group companies include Koç Group companies.

(**) Zer Merkezi Hizmetler ve Ticaret A.Ş. ("Zer") provides purchasing services for various item to the Group. As of balance sheet date, trade payables consist of Group's payables to third party insurance companies in exchange of insurance services and payables to Ram Sigorta for commissions for intermediary activities.

(***) Ram Sigorta Aracılık Hizmetleri A.Ş. ("Ram Sigorta") provides insurance services to the Group. As of balance sheet date, trade payables consist of Group's payables to third party insurance companies in exchange of insurance services and payables to Ram Sigorta for commissions for intermediary activities.

(****) Entek has been classified as "Asset Held for Sale" in the balance sheet. Related party receivables and payables of Entek have been included in related party disclosure.

Aygaz Anonim Şirketi and Subsidiaries**Notes to condensed consolidated financial statements (continued)
As of March 31, 2011**

(Amounts are expressed as thousand Turkish Lira (TL) unless otherwise stated, other currencies are also expressed in thousands unless otherwise stated)

21. Transactions with related parties (continued)

Transactions with related parties	January 1 – March 31, 2011			
	Purchases (Goods)	Sales (Goods)	Purchases (Service)	Sales (Service)
Group companies (*)				
Türkiye Petrol Rafinerileri A.Ş.	103.420	74.476	273	-
Opet Petrolcülük A.Ş.(**)	34.192	484	118	18
Arçelik A.Ş.	26.776	4.067	14	-
Ram Dış Ticaret A.Ş.	8.773	-	-	-
Zer Merkezi Hizmetler ve Ticaret A.Ş.	1.027	2.487	3.821	761
Opet-Fuchs Madeni Yağ A.Ş.	189	3	-	-
Koç Sistem Bilgi ve İletişim Hizmetleri A.Ş.	104	89	1.457	-
Koçtaş Yapı Marketleri Ticaret A.Ş.	94	569	9	-
Ford Otomotiv Sanayi A.Ş.	10	11.867	-	-
Bilkom Bilişim Hizmetleri A.Ş.	3	-	-	-
Otokoç Otomotiv Tic. ve San. A.Ş.	2	636	976	-
Palmira Turizm Ticaret A.Ş.	2	162	18	-
Oriente Klassik Giyim San.ve Tic.A.Ş.	2	-	-	-
Demir Export A.Ş.	-	4.339	-	-
Tofaş Türk Otomobil Fabrikası A.Ş.	-	2.203	-	-
Türk Traktör ve Ziraat Makinaları A.Ş.	-	2.073	-	-
Yapı Kredi Bankası A.Ş.	-	1.754	12	-
Otokar Otobüs Karoseri Sanayi A.Ş.	-	1.284	42	-
R.M.K ve Mahdumları Mad. İnş.Tur.Yat. ve Tic. A.Ş.	-	625	-	-
Tat Konserve Sanayi A.Ş.	-	402	-	-
Vehbi Koç Vakfı Koç Üniversitesi	-	336	-	-
Vehbi Koç Vakfı Amerikan Hastanesi	-	238	19	-
Harranova Besi ve Tarım Ürünleri A.Ş.	-	218	-	-
Marmaris Altinyunus Turistik Tesisleri A.Ş.	-	173	-	-
Altinyunus Çeşme Turistik Tesisler. A.Ş.	-	123	-	4
Tek-Art Kalamış ve Fenerbahçe Mar. Tur. Tes. A.Ş.	-	102	-	-
VKV Koç Özel İlköğretim Okulu	-	60	-	-
Setur Servis Turistik A.Ş.	-	59	538	-
Düzey Tüketim Malları Pazarlama A.Ş.	-	33	90	-
Ayvalık Marina ve Yat İşl. San. ve Tic. A.Ş.	-	12	-	-
Koç Tüketici Finansmanı A.Ş.	-	10	-	-
THY Opet Havacılık Yakıtları A.Ş.	-	10	-	-
Setur Yalova Marina İşletmeciliği A.Ş. (4)	-	5	-	-
Setair Hava Taşımacılığı ve Hizm. A.Ş.	-	-	753	-
Tanı Pazarlama ve İletişim Hizmetleri A.Ş.	-	-	396	-
Koçnet Haberleşme Teknoloji ve İlet. Hizm. A.Ş.	-	-	258	-
Callus Bilgi ve İletişim Hizmetleri A.Ş.	-	-	138	-
Koç Holding Emekli ve Yardım Sandığı Vakfı	-	-	118	-
Ark İnşaat A.Ş.	-	-	80	-
Promena Elektronik Ticaret A.Ş.	-	-	23	-
Yapı Kredi Yatırım Menkul Değerler A.Ş.	-	-	8	-
Koç Topluğu Yöneticileri Derneği	-	-	2	-
Yapı Kredi Sigorta A.Ş.	-	-	1	-
Shareholders				
Koç Holding A.Ş.	-	32	756	-
	174.594	108.931	9.920	783

(*) Group companies include Koç Group companies.

(**) Commission expense regarding LPG sold at Opet stations as of March 31, 2011 is TL 13.834 thousand (March 31, 2010 - TL 12.247 thousand). The commission expense mentioned above is evaluated as part of sales and accounted under income statement as sales discounts.

Aygaz Anonim Şirketi and Subsidiaries

**Notes to condensed consolidated financial statements (continued)
As of March 31, 2011**

(Amounts are expressed as thousand Turkish Lira (TL) unless otherwise stated, other currencies are also expressed in thousands unless otherwise stated)

21. Transactions with related parties (continued)

Transactions with related parties	January 1 – March 31, 2010			
	Purchases (Goods)	Sales (Goods)	Purchases (Services)	Sales (Services)
Group companies (*)				
Türkiye Petrol Rafinerileri A.Ş.	81.309	40.947	291	494
Opet Petrolcülük A.Ş.	17.950	418	119	16
Arçelik A.Ş.	17.401	2.696	10	5
Ram Dış Ticaret A.Ş.	7.131	-	212	-
Zer Merkezi Hizmetler ve Ticaret A.Ş.	2.527	69	5.223	109
Koçtaş Yapı Marketleri Ticaret A.Ş.	230	21	11	-
Opet-Fuchs Madeni Yağ A.Ş.	130	-	-	-
Arçelik LG Klima San. ve Tic. A.Ş.	95	103	-	-
Otokoç Otomotiv Tic. ve San. A.Ş.	13	546	939	-
Koç Sistem Bilgi ve İletişim Hizmetleri A.Ş.	6	-	823	-
East Marine Denizcilik ve Turizm A.Ş.	5	-	-	-
Bilkom Bilişim Hizmetleri A.Ş.	2	-	-	-
Otokar Otobüs Karoseri Sanayi A.Ş.	2	286	9	-
Oriente Klassik Giyim San.ve Tic.A.Ş.	2	-	-	-
Beldeyama Motorlu Vasıtalar San. A.Ş.	1	1	-	-
Düzye Tüketim Malları Pazarlama A.Ş.	1	-	64	-
Tanı Pazarlama ve İletişim Hizmetleri A.Ş.	-	-	172	-
Palmira Turizm Ticaret A.Ş.	-	79	2	-
Ford Otomotiv Sanayi A.Ş.	-	5.218	-	-
Altinyunus Çeşme Turistik Tesisler. A.Ş.	-	109	-	4
Beldesana Otomotiv Yan Sanayii ve Tic. A.Ş.	-	-	-	4
Demir Export A.Ş.	-	2.951	-	-
Harranova Besi ve Tarım Ürünleri A.Ş.	-	198	-	-
Koçnet Haberleşme Teknoloji ve İlet. Hizm. A.Ş.	-	-	308	-
Marmaris Altinyunus Turistik Tesisleri A.Ş.	-	123	-	-
Promena Elektronik Ticaret A.Ş.	-	-	26	-
R.M.K ve Mahdumları Mad. İnş.Tur.Yat. ve Tic. A.Ş.	-	369	-	-
RMK Marine Gemi Yapım San. ve Deniz Taş. İşl. A.Ş.	-	16	-	-
Setair Hava Taşımacılığı ve Hizm. A.Ş.	-	-	513	-
Setur Servis Turistik A.Ş.	-	6	347	5
Tat Konserve Sanayi A.Ş.	-	27	-	-
THY Opet Havacılık Yakıtları A.Ş.	-	6	-	-
Tofaş Türk Otomobil Fabrikası A.Ş.	-	2.884	1	88
Türk Traktör ve Ziraat Makinaları A.Ş.	-	333	-	-
Vehbi Koç Vakfı Koç Üniversitesi	-	687	40	-
Yapı Kredi Bankası A.Ş.	-	-	58	-
Yapı Kredi Sigorta A.Ş.	-	-	3	-
Yapı Kredi Yatırım Menkul Değerler A.Ş.	-	-	18	-
Callus Bilgi ve İletişim Hizmetleri A.Ş.	-	-	69	-
Shareholders				
Koç Holding A.Ş.	-	-	407	-
	126.805	58.093	9.665	725

(*) Group companies include Koç Group companies.

Aygaz Anonim Şirketi and Subsidiaries

Notes to condensed consolidated financial statements (continued)

As of March 31, 2011

(Amounts are expressed as thousand Turkish Lira (TL) unless otherwise stated, other currencies are also expressed in thousands unless otherwise stated)

21. Transactions with related parties (continued)

January 1 – March 31, 2011				
Tangible asset and rent transactions with related parties	Rent income	Rent expense	Fixed asset purchases	Fixed asset sales
Group companies (*)				
Opet Petrolcülük A.Ş.	72	4	-	-
Otokoç Otomotiv Tic. ve San. A.Ş.	-	23	115	-
Yapı Kredi Bankası A.Ş.	-	25	-	-
Bilkom Bilişim Hizmetleri A.Ş.	-	-	3	-
Koç Sistem Bilgi ve İletişim Hizmetleri A.Ş.	-	-	45	-
Koçnet Haberleşme Teknoloji ve İlet. Hizm. A.Ş.	-	-	3	-
Zer Merkezi Hizmetler ve Ticaret A.Ş.	-	-	-	761
Shareholders				
Temel Ticaret ve Yatırım A.Ş.	-	25	-	-
	72	77	166	761

January 1 - March 31, 2010				
Tangible asset and rent transactions with related parties	Rent income	Rent expense	Fixed asset purchases	Fixed asset sales
Group companies (*)				
Opet Petrolcülük A.Ş.	100	51	-	-
Otokoç Otomotiv Tic. ve San. A.Ş.	-	7	25	-
Koç Sistem Bilgi ve İletişim Hizmetleri A.Ş.	-	-	267	-
Türkiye Petrol Rafinerileri A.Ş.	-	-	45	-
Koçtaş Yapı Marketleri Ticaret A.Ş.	-	-	16	-
Arçelik A.Ş.	-	-	15	-
Koçnet Haberleşme Teknoloji ve İlet. Hizm. A.Ş.	-	-	1	-
Zer Merkezi Hizmetler ve Ticaret A.Ş.	-	-	-	1.382
Shareholders				
Koç Family	-	197	-	-
Temel Ticaret ve Yatırım A.Ş.	-	13	-	-
	100	268	369	1.382

January 1 – March 31, 2011				
Financial and other transactions with related parties	Financial income	Financial expense	Other income	Other expense
Group companies (*)				
Yapı Kredi Bankası A.Ş.	2.367	4.574	-	3
Koçnet Haberleşme Teknoloji ve İlet. Hizm. A.Ş.	-	-	6	-
	2.367	4.574	6	3

(*) Group companies include Koç Group companies.

(Convenience translation of financial statements originally issued in Turkish)

Aygaz Anonim Şirketi and Subsidiaries

Notes to condensed consolidated financial statements (continued)

As of March 31, 2011

(Amounts are expressed as thousand Turkish Lira (TL) unless otherwise stated, other currencies are also expressed in thousands unless otherwise stated)

21. Transactions with related parties (continued)

Financial and other transactions with related parties	January 1 - March 31, 2010			
	Financial income	Financial expense	Other income	Other expense
Group companies (*)				
Opet Petrolcülük A.Ş.	-	-	-	4
Yapı Kredi Bankası A.Ş.	862	8	-	-
Koçnet Haberleşme Teknoloji ve İlet. Hizm. A.Ş.	-	-	3	-
Shareholders				
Koç Holding A.Ş.	-	-	-	571
	862	8	3	575

Deposits at banks	March 31, 2011	December 31, 2010
Group companies (*)		
Yapı Kredi Bankası A.Ş.	293.998	262.013

Credit card receivables	March 31, 2011	December 31, 2010
Group companies (*)		
Yapı Kredi Bankası A.Ş.	6.658	5.333

Loans from related parties	March 31, 2011				
	Original currency	Maturity	Interest rate %	Current liabilities	Non current liabilities
Group companies (*)					
Yapı Kredi Bankası	TL	Spot	-	1.014	-
				1014	-

(*) Group companies include Koç Group companies.

Benefits paid to Board of Directors and Executives

The Group has determined senior manager squad as Board of Directors' members, general manager and vice general managers.

Benefits provided to senior management includes salaries, premiums, social security premiums, unemployment employer premium and honorarium paid to board of directors.

Total of the benefit provided to senior management of the Group as of March 31, 2011 is TL 1.487 thousand (March 31, 2010: TL 923 thousand).

(Convenience translation of financial statements originally issued in Turkish)

Aygaz Anonim Şirketi and Subsidiaries

Notes to condensed consolidated financial statements (continued)

As of March 31, 2011

(Amounts are expressed as thousand Turkish Lira (TL) unless otherwise stated, other currencies are also expressed in thousands unless otherwise stated)

22. Assets held for sale and discontinued operations

Assets held for sale

The Group, as declared to public disclosure platform of Turkey on December 1, 2010, in accordance with the board of directors meeting decision held on November 30, 2010, has decided to sell 49,62% shares of Entek with a nominal value of TL 49.079 thousand, when share transfer procedures are completed, to AES-Mont Blanc Holdings B.V. As of December 31, 2010 the assets and liabilities of the subsidiary held for sale have been classified as assets and liabilities held for sale in accordance with IFRS 5. As the sales process has been completed within 2011, Entek became a joint venture and accounted with proportional consolidation (Note 3).

Assets held for sale	2011	2010
Cash and cash equivalents	-	100.458
Trade receivables	-	39.039
Other current assets	-	3.238
Property, plant and equipment	-	220.346
Intangible fixed assets	-	349
Other long-term assets	-	8.848
	-	372.278

Liabilities held for sale	2011	2010
Short term financial liabilities	-	44.197
Long term financial liabilities	-	20.098
Trade payables	-	34.856
Other payables	-	1.916
Other short term liabilities	-	3.484
Retirement pay provision	-	609
Deferred tax liability	-	12.587
	-	117.747

Aygaz Anonim Şirketi and Subsidiaries**Notes to condensed consolidated financial statements (continued)****As of March 31, 2011**

(Amounts are expressed as thousand Turkish Lira (TL) unless otherwise stated, other currencies are also expressed in thousands unless otherwise stated)

23. Nature and level of risk derived from financial instruments**Financial risk factors**

The risks of the Group, resulted from operations, include market risk (including currency risk, fair value interest rate risk, cash flow interest risk and price risk), credit risk and liquidity risk. The Group's risk management program generally focuses on minimizing the effects of uncertainty in financial market on financial performance of the Group. The Group uses derivative financial instruments in order to safeguard itself from different financial risks.

Foreign currency risk management

Foreign currency transactions results in foreign currency risk. The Group controls foreign currency risk coming from its operations and cash flows of finance contracts by using "forward foreign exchange contracts".

The foreign currency denominated assets and liabilities of monetary and non-monetary items as the balance sheet date are as follows:

March 31, 2011		Total TL equivalent	TL equivalent of USD	TL equivalent of Euro	Other
1.	Trade receivables	42.585	32.731	9.854	-
2.a	Monetary financial assets	110.856	107.464	3.288	104
2.b	Non monetary financial assets	-	-	-	-
3.	Other	-	-	-	-
4.	Current assets	153.441	140.195	13.142	104
5.	Trade receivables	-	-	-	-
6.a	Monetary financial assets	-	-	-	-
6.b	Non monetary financial assets	-	-	-	-
7.	Other	-	-	-	-
8.	Non current assets	-	-	-	-
9.	Total assets	153.441	140.195	13.142	104
10.	Trade payables	(90.487)	(90.190)	(297)	-
11.	Financial liabilities	(416)	-	-	(416)
12.a	Other monetary financial liabilities	-	-	-	-
12.b	Other non monetary financial liabilities	-	-	-	-
13.	Current liabilities	(90.903)	(90.190)	(297)	(416)
14.	Trade payables	-	-	-	-
15.	Financial liabilities	(10.035)	(10.035)	-	-
16.a	Other monetary financial liabilities	-	-	-	-
16.b	Other non monetary financial liabilities	-	-	-	-
17.	Non current liabilities	(10.035)	(10.035)	-	-
18.	Total liabilities	(100.938)	(100.225)	(297)	(416)
19.	Net asset / liability position of off balance sheet liabilities (19a-19b)	-	-	-	-
19.a	Off balance sheet foreign currency derivative assets	-	-	-	-
19.b	Off balance sheet foreign currency derivative liabilities	-	-	-	-
20.	Net foreign currency asset / liability position	52.503	39.970	12.845	(312)
21.	Net foreign currency asset / liability position of monetary items (1+2a+6a+10+11+12a+14+15+16a)	52.503	39.970	12.845	(312)
22.	Fair value of foreign currency hedged Financial assets	-	-	-	-
23.	Export	149.310	136.117	13.193	-
24.	Import	344.653	343.911	740	2

Aygaz Anonim Şirketi and Subsidiaries**Notes to condensed consolidated financial statements (continued)****As of March 31, 2011**

(Amounts are expressed as thousand Turkish Lira (TL) unless otherwise stated, other currencies are also expressed in thousands unless otherwise stated)

23. Nature and level of risk derived from financial instruments (continued)

The Group manages its foreign currency risk by regularly considering and reflecting the foreign exchange rate changes in the determination of product prices. As of March 31, 2011, the Group has LPG amounting to TL 59.235 thousand (December 31, 2010 TL 77.060 thousand)

December 31, 2010		Total TL equivalent	TL equivalent of USD	TL equivalent of Euro	Other
1.	Trade receivables	44.813	18.128	26.685	-
2.a	Monetary financial assets	114.123	58.135	55.852	136
2.b	Non monetary financial assets	-	-	-	-
3.	Other	-	-	-	-
4.	Current assets	158.936	76.263	82.537	136
5.	Trade receivables	-	-	-	-
6.a	Monetary financial assets	-	-	-	-
6.b	Non monetary financial assets	-	-	-	-
7.	Other	-	-	-	-
8.	Non current assets	-	-	-	-
9.	Total assets	158.936	76.263	82.537	136
10.	Trade payables	(147.191)	(147.051)	(140)	-
11.	Financial liabilities	(109.407)	-	(109.407)	-
12.a	Other monetary financial liabilities	-	-	-	-
12.b	Other non monetary financial liabilities	-	-	-	-
13.	Current liabilities	(256.598)	(147.051)	(109.547)	-
14.	Trade payables	-	-	-	-
15.	Financial liabilities	-	-	-	-
16.a	Other monetary financial liabilities	-	-	-	-
16.b	Other non monetary financial liabilities	-	-	-	-
17.	Non current liabilities	-	-	-	-
18.	Total liabilities	(256.598)	(147.051)	(109.547)	-
19.	Net asset / liability position of off balance sheet liabilities (19a-19b)	-	-	-	-
19.a	Total hedged assets	-	-	-	-
19.b	Total hedged liabilities	-	-	-	-
20.	Net foreign currency asset / liability position	(97.662)	(70.788)	(27.010)	136
21.	Net foreign currency asset / liability position of monetary items (1+2a+6a+10+11+12a+14+15+16a)	(97.662)	(70.788)	(27.010)	136
22.	Fair value of foreign currency hedged financial assets	-	-	-	-
23.	Export	357.806	348.548	9.255	3
24.	Import	1.230.276	1.225.536	3.829	911

(Convenience translation of financial statements originally issued in Turkish)

Aygaz Anonim Şirketi and Subsidiaries

Notes to condensed consolidated financial statements (continued)

As of March 31, 2011

(Amounts are expressed as thousand Turkish Lira (TL) unless otherwise stated, other currencies are also expressed in thousands unless otherwise stated)

23. Nature and level of risk derived from financial instruments (continued)

Currency forward agreements

Currency forward agreements which are valid as of March 31, 2011 and December 31, 2010 are summarized at the tables below:

						March 31, 2011
Maturity	Parity	Type of contract	Transaction	Total amount	Currency	
1 to 3 months	2,0581	Forward	Sells EUR, Buys TL	8.814	TL	
3 to 6 months	2,0581 – 2,2570	Forward	Sells EUR, Buys TL	2.980	TL	

						December 31, 2010
Maturity	Parity	Type of contract	Transaction	Total amount	Currency	
1 to 3 months	1,3235	Forward	Sells EUR, Buys USD	8.350	USD	
1 to 3 months	2,0581	Forward	Sells EUR, Buys TL	4.291	TL	
3 to 6 months	2,0581	Forward	Sells EUR, Buys TL	8.814	TL	
6 to 9 months	2,0581	Forward	Sells EUR, Buys TL	2.488	TL	

24. Events after balance sheet date

None.