

AYGAZ A.Ş

**CONDENSED CONSOLIDATED FINANCIAL
STATEMENTS FOR THE PERIOD ENDED
31 MARCH 2009**

(translated into English from the original copy)

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AYGAZ A.Ş. AND ITS SUBSIDIARIES**CONDENSED CONSOLIDATED BALANCE SHEET
FOR THE PERIOD ENDED 31 MARCH 2009**

Amounts are expressed as Turkish Lira ("TL") unless otherwise stated

ASSETS	Notes	Current Period 31 March 2009	Previous Period 31 December 2008
CURRENT ASSETS			
Cash and cash equivalents	5	232.026.527	405.430.998
Trade receivables		326.108.178	263.372.756
-Due from related parties	20	15.543.275	16.696.464
-Other trade receivables	8	310.564.903	246.676.292
Other receivables		1.635.599	3.999.048
Inventories	9	115.882.930	84.083.574
Other current assets	15	35.795.482	42.156.974
Total Current Assets		711.448.716	799.043.350
NON CURRENT ASSETS			
Trade receivables	8	1.095.944	844.262
Other receivables		2.713.411	2.505.847
Financial investments	6	211.655.093	203.749.145
Investments subject to equity pick up method	10	683.252.280	740.455.267
Property, plant and equipment	11	692.394.297	672.004.351
Intangible assets	12	3.585.411	3.816.737
Other non-current assets	15	42.066.718	42.561.305
Total Non-Current Assets		1.636.763.154	1.665.936.914
TOTAL ASSETS		2.348.211.870	2.464.980.264

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

AYGAZ A.Ş. AND ITS SUBSIDIARIES

CONDENSED CONSOLIDATED BALANCE SHEET FOR THE PERIOD ENDED 31 MARCH 2009

Amounts are expressed as Turkish Lira ("TL") unless otherwise stated

LIABILITIES AND EQUITY	Notes	Current Period 31 March 2009	Previous Period 31 December 2008
SHORT TERM LIABILITIES			
Financial Borrowings	7	275.040.354	392.089.457
Trade payables		162.128.301	314.330.323
-Due to related parties	20	40.349.439	43.425.448
-Other trade payables	8	121.778.862	270.904.875
Other payables	14	30.933.704	12.173.170
Current tax liabilities	19	5.844.119	2.071.059
Other short term liabilities	15	108.326.549	102.017.983
Total Current Liabilities		582.273.027	822.681.992
LONG TERM LIABILITIES			
Financial borrowings	7	180.107.744	55.672.300
Other long term payables	14	50.379.886	49.748.518
Provision for employment termination benefits		13.692.698	13.283.700
Deferred tax liabilities	19	53.609.006	49.688.789
Other long term liabilities		281.662	209.990
Total Non-Current Liabilities		298.070.996	168.603.297
EQUITY			
Share Capital	16	300.000.000	300.000.000
Inflation Adjustment to Share capital	16	71.503.640	71.503.640
Reciprocal Adjustment to Share Capital		(7.329.200)	(7.329.200)
Revaluation Fund		87.358.241	80.648.444
Currency Translation Reserve		996.380	774.380
Restricted Reserves		364.730.345	360.035.114
Risk hedge fund		(11.613.600)	(12.969.800)
Retained Earnings		572.918.938	581.673.305
Net Profit For The Period		8.003.766	25.765.471
Equity attributable to equity holders of the parent		1.386.568.510	1.400.101.354
Minority interest		81.299.337	73.593.621
Total Equity		1.467.867.847	1.473.694.975
TOTAL LIABILITIES AND EQUITY		2.348.211.870	2.464.980.264

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

AYGAZ A.Ş. AND ITS SUBSIDIARIES**CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE PERIOD ENDED 31 MARCH 2009**

Amounts are expressed as Turkish Lira ("TL") unless otherwise stated

	Notes	1 January- 31 March 2009	1 January- 31 March 2008
CONTINUING OPERATIONS			
Sales Revenue		811.082.740	884.803.401
Cost of sales		(643.630.008)	(785.080.493)
GROSS PROFIT		167.452.732	99.722.908
Marketing sales and distribution expenses		(26.613.929)	(29.920.983)
General administrative expenses		(23.242.241)	(21.871.988)
Research and development expenses		(135.498)	(195.293)
Other operating income		15.165.835	6.540.620
Other operating expenses		(7.632.674)	(3.528.707)
OPERATING PROFIT		124.994.225	50.746.557
Profit/(loss) from equity participations	10	(58.781.187)	(44.484.121)
Finance income	17	12.873.693	9.777.061
Finance expense	18	(48.298.534)	(52.258.008)
PROFIT / (LOSS) FROM CONTINUING OPERATIONS BEFORE TAXATION		30.788.197	(36.218.511)
Continuing Operations Tax Income/(Expense)			
- Current tax expense for the period	19	(13.107.458)	(2.308.613)
- Deferred tax income/(expense)	19	(2.949.845)	5.878.626
CONTINUED OPERATIONS PROFIT/LOSS		14.730.894	(32.648.498)
DISCONTINUED OPERATIONS			
Discontinued operations profit/loss after tax		-	(1.136.306)
NET PROFIT / (LOSS) FOR THE PERIOD		14.730.894	(33.784.804)
Profit for the period attributable to:			
Minority Interest		6.727.128	4.574.252
Parent Company		8.003.766	(38.359.056)
Earnings per share		14.730.894	(33.784.804)
Diluted earnings per share		0,0267	(0,1279)
-From continuing operations		0,0267	(0,1241)
-From discontinuing operations		-	(0,0038)

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

AYGAZ A.Ş. AND ITS SUBSIDIARIES**CONDENSED CONSOLIDATED COMPREHENSIVE INCOME STATEMENT
FOR THE PERIOD ENDED 31 MARCH 2009**

Amounts are expressed as Turkish Lira ("TL") unless otherwise stated

	Current Period	Previous Period
	1 January- 31 March 2009	1 January- 31 March 2009
PROFIT / (LOSS) FOR THE PERIOD	14.730.894	(33.784.804)
<u>Other comprehensive Income/(loss)</u>		
Change in financial assets revaluation fund	7.511.175	(3.627.879)
Change in financial hedge fund	1.356.200	-
Change in translation reserve	222.000	(1.452.638)
OTHER COMPREHENSIVE INCOME/(LOSS) (AFTER TAX)	9.089.375	(5.080.517)
TOTAL COMPREHENSIVE INCOME/(LOSS)	23.820.269	(38.865.321)
Attributable to:		
Minority Share	7.528.506	4.574.252
Parent Company	16.291.763	(43.439.573)
	<u>23.820.269</u>	<u>(38.865.321)</u>

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

AYGAZ A.Ş. AND ITS SUBSIDIARIES

CHANGES IN THE CONSOLIDATED STATEMENT OF EQUITY FOR THE PERIOD ENDED 31 MARCH 2009

(Amounts are expressed as Turkish Lira ("TL") unless otherwise stated.)

	Share Capital	Reciprocal adjustments of shareholders equity	Revaluation fund on Financial Assets	Inflation adjustments of share capital	Restricted Reserves	Risk Hedge Fund	Currency Translation Reserve	Retained Earnings	Net profit/Loss	The equities attributable to Parent Company	Minority Interests	Total Equity
Balance at 1 January 2008	250.695.318	(7.329.200)	106.035.250	71.503.640	277.818.135	-	(497.922)	280.269.868	439.527.287	1.418.022.376	80.545.228	1.498.567.604
Transfers from retained earnings	-	-	-	-	-	-	-	439.527.287	(439.527.287)	-	-	-
Gain on sale of investment and property, recognized in equity	-	-	-	-	71.553.548	-	-	(71.553.548)	-	-	-	-
Comprehensive income / (loss) for the period	-	-	(3.627.879)	-	-	-	(1.452.638)	-	(38.359.056)	(43.439.573)	4.574.252	(38.865.321)
Balance at 31 March 2008	250.695.318	(7.329.200)	102.407.371	71.503.640	349.371.683	-	(1.950.560)	648.243.607	(38.359.056)	1.374.582.803	85.119.480	1.459.702.283
Balance at 1 January 2009	300.000.000	(7.329.200)	80.648.444	71.503.640	360.035.114	(12.969.800)	774.380	581.673.305	25.765.471	1.400.101.354	73.593.621	1.473.694.975
Dividend payments	-	-	-	-	-	-	-	(30.000.000)	-	(30.000.000)	(315.800)	(30.315.800)
Change in consolidation scope	-	-	-	-	-	-	-	175.393	-	175.393	493.010	668.403
Transfers to reserves	-	-	-	-	4.695.231	-	-	21.070.240	(25.765.471)	-	-	-
Comprehensive income / (loss) for the period	-	-	6.709.797	-	-	1.356.200	222.000	-	8.003.766	16.291.763	7.528.506	23.820.269
Balance as of 31 March 2009	300.000.000	(7.329.200)	87.358.241	71.503.640	364.730.345	(11.613.600)	996.380	572.918.938	8.003.766	1.386.568.510	81.299.337	1.467.867.847

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

AYGAZ A.Ş. AND ITS SUBSIDIARIES

CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED 31 MARCH 2009

(Amounts are expressed as Turkish Lira (“TL”) unless otherwise stated.)

	Notes	Current Period 1 January- 31 March 2009	Previous Period 1 January- 31 March 2008
Cash flows from operating activities			
Net profit / (loss) for the period		8.003.766	(38.359.056)
Adjustments to reconcile net income to net cash provided by operating activities:			
Loss from equity participations	10	58.781.187	44.484.121
Depreciation of property, plant and equipment	11	23.657.947	23.000.779
Depreciation of intangible assets	12	455.095	446.464
Effect of minority share on period profit		6.727.128	4.574.252
Sundry provisions	15	34.084.331	50.146.645
The amortization of investment property		-	2.660
Negative goodwill income	3	(2.662.915)	-
Provision for impairment of financial assets	6	552	4.410
Provision for retirement pay		1.181.095	1.561.808
Profit of sales of tangible assets (net)		(365.120)	(1.382.299)
Allowances for doubtful receivables		464.380	225.833
Interest income	17	(6.565.691)	(3.434.831)
Interest expense	18	4.590.413	5.155.722
Translation reserve (net)		-	(3.545.486)
Tax provision	19	16.057.303	51.023.489
Operating cash flow before changes in working capital		144.409.471	133.904.511
Changes in working capital:			
Trade receivables	8	(59.559.719)	(3.330.505)
Due from related parties	20	1.550.170	(831.177)
Inventories	9	(31.576.717)	(47.882.852)
Other receivables and current assets	15	9.600.629	(21.411.838)
Trade payables	8	(152.438.862)	104.981.509
Due to related parties	20	27.036.134	(8.621.065)
Other payables and liabilities	14, 15	(69.621.689)	(36.233.856)
Other non-current receivables and payables		761.748	(19.498.898)
Net cash generated from operating activities		(129.838.835)	101.075.829
Income taxes paid	19	(9.334.398)	(70.896.222)
Retirement pay paid		(795.464)	(919.275)
Cash generated from / (used in) operations		(139.968.697)	29.260.332
Cash flows from investing activities			
Interest received	17	6.565.691	3.434.831
Changes in financial assets held for trading(net)	6	-	2.915.909
Purchases for subsidiary shares	3	(14.224.369)	-
Proceeds of sale of financial assets		-	(96.227)
Purchases for property, plant and equipment	11	(28.668.589)	(17.657.219)
Purchases for intangible assets	12	(83.849)	(171.627)
Proceeds of sale tangible assets		495.214	2.081.158
Net cash (used in)/generated by investing activities		(35.915.902)	(9.493.175)
Cash flows from financing activities			
Changes in financial borrowings	7	2.795.928	53.630.838
Dividends paid		(315.800)	-
Net cash generated by financing activities		2.480.128	53.630.838
Net increase / (decrease) in cash and cash equivalents		(173.404.471)	73.397.995
Cash and cash equivalents at the beginning of the year	5	405.430.998	89.036.479
Cash and cash equivalents at the end of the period	5	232.026.527	162.434.474

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

AYGAZ A.Ş. AND ITS SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2009

(Amounts are expressed as Turkish Lira (“TL”) 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 shares of the Company are quoted to İstanbul Stock Exchange Market (ISE).

The address of the company’s registered office and principal place of business is as follows:

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

As of 31 March 2009, number of personnel of Aygaz and its subsidiaries (“the Group”) is 1.410 (31 December 2008: 1.431).

Subsidiaries:

Mogaz Petrol Gazları A.Ş (“Mogaz”), a subsidiary of the company, is a LPG distribution company. The group has purchased 8,93% share of Mogaz Petrol Gazları A.Ş (“Mogaz”) and raised Group’s effective ownership to 97,90%

Entek Elektrik Üretimi A.Ş. (“Entek”) operates as electricity producer with its 3 facilities in Bursa, İzmit and İstanbul. In 2007 and 2008, 62,24 % of shares were purchased by the group and this purchase raised Group’s effective ownership to 70,50 %.

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. Merged company name was Bursa Gaz ve Ticaret A.Ş, but it was changed to “Akpa Dayanıklı Tüketim Lpg ve Akaryakıt Ürünleri Pazarlama Anonim Şirketi” with the decision of Board of Directors meeting held on March 17, 2005.

Koç Statoil Gaz Toptan Satış A.Ş and Koç Statoil Gaz İletişim A.Ş (“Koç Statoil Gaz”) were established in April 2004 with equal shares distribution as a result of the joint venture agreement between Koç Group and Norwegian Statoil ASA which is one of the leading companies in international fuel and natural gas market. The Group has acquired 50% shares of Koç Statoil Gaz Toptan Satış A.Ş. and Koç Statoil Gaz İletim A.Ş., which were the joint ventures accounted with proportionate consolidation method with effective ownership of 47,99%, from Statoil Hydra ASA and paid 17.224.245 TL for these shares. Consequently, Koç Statoil Gaz Toptan Satış A.Ş. and Koç Statoil Gaz İletim A.Ş are accounted as a subsidiaries in the accompanying financial statements. After this acquisition, the titles of Koç Statoil Gaz İletim A.Ş. and Koç Statoil Gaz Toptan Satış A.Ş are changed into Aygaz Doğal Gaz İletim A.Ş. and Aygaz Doğal Gaz Satış A.Ş. (“Aygaz Doğal Gaz”) respectively.

AYGAZ A.Ş. AND ITS SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2009

(Amounts are expressed as Turkish Lira (“TL”) unless otherwise stated)

1. ORGANIZATION AND OPERATIONS OF THE COMPANY (cont’d)

Subsidiaries (cont’d)

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

Subsidiaries	Place of incorporation and operation	Ownership interest(%)		Proportion of voting power held	Principal Activity
		31 March 2009	31 December 2008		
Akpa	Turkey	99,99%	99,99%	99,99%	Marketing
Mogaz	Turkey	97,90%	97,90%	97,90%	LPG
Entek	Turkey	70,50%	70,50%	70,50%	Electricity
Aygaz Doğal Gaz	Turkey	97,99%	-	97,99%	LNG

Joint Ventures:

Opet Aygaz BV was established in May 2003 as a corporation with a joint management in order to perpetuate the cooperative activities of Aygaz and Opet Petrolcülük A.Ş(“Opet”). Opet Aygaz BV signed a share transfer agreement at 19 June 2008 regarding the sale of total shares of Opet Aygaz Bulgaria EAD and discontinued its ongoing operations in Bulgaria since 2003 on 31 October 2008.

The details of the Group’s joint ventures are as follows:

Joint Ventures	Place of incorporation and operation	Ownership interest (%)		Proportion of voting power held	Principal Activity
		31 March 2009	31 December 2008		
Aygaz Doğal Gaz (Koç Statoil)	Turkey	-	47,99%	47,99%	LNG
Opet Aygaz BV	Holland	50,00%	50,00%	50,00%	LPG

Investments in associates:

In December 2005, Enerji Yatırımları A.Ş was established to acquire 51% block shares of Türkiye Petrol Rafinerileri A.Ş, 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 (%)		Proportion of voting power held	Principal Activity
		31 March 2009	31 December 2008		
Zineji A.Ş.	Turkey	55,83%	55,83%	55,83%	Energy
Enerji Yatırımları A.Ş.	Turkey	20,00%	20,00%	20,00%	Energy

AYGAZ A.Ş. AND ITS SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2009

(Amounts are expressed as Turkish Lira (“TL”) unless otherwise stated)

1. ORGANIZATION AND OPERATIONS OF THE COMPANY (cont’d)

Approval of Financial Tables

The consolidated financial tables for the period ended 31 March 2009 are approved on the Board of Directors meeting on 14 May 2009 to be published and are signed by Assistant General Manager (Financial) Erdem Ali Kaya and Subsidiaries and Accounting Director Nurettin Demirtaş.

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

2.1 Accounting Standards

The Company and its Turkish subsidiaries maintain their books of account and prepare their statutory financial statements in accordance with accounting principles in the Turkish Commercial Code and tax legislation. Subsidiaries operating in foreign countries maintain their books of account in the currencies of those countries and prepare their statutory financial statements in accordance with the legislation effective in those countries.

Capital Market Board (“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). International Financial Reporting Standards (“IAS/IFRS”) will be applied till the time the differences between the International Financial Reporting Standards (“IAS/IFRS”) and the Turkish Accounting/Financial Reporting Standards (“TAS/TFRS”) are declared by the Turkish Accounting Standards Committee (TASC). Therefore, the Turkish Accounting/Financial Reporting Standards (“TAS/TFRS”) which are in complaint with the applied standards will be adopted.

As the differences between the International Financial Reporting Standards (“IAS/IFRS”) as conceded by the European Union and the Turkish Accounting/Financial Reporting Standards (“TAS/TFRS”) have not been declared as of the date of this report , the accompanying financial statements and notes are prepared in accordance with IAS/IFRS as declared in the Decree Serial: XI, No: 29. with the required formats announced by the CMB on 14 April 2008 and the necessary reclassifications in the comparative financial statements are made.

The consolidated financial statements are prepared in Turkish Lira (“TL”) based on the historical cost conversion except for the financial assets and liabilities which are expressed with their fair values.

AYGAZ A.Ş. AND ITS SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2009

(Amounts are expressed as Turkish Lira (“TL”) unless otherwise stated)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS(cont’d)

2.2 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. If the presentation or classification of the financial statements is changed, in order to maintain consistency, financial statements of the prior periods are also reclassified in line with the related changes.

2.3 Adoption of New and Revised International Financial Reporting Standards

In the current year, the Group has adopted all of the new and revised Standards and Interpretations issued by the International Accounting Standards Board (“the IASB”) and the International Financial Reporting Interpretations Committee (“IFRIC”) of the IASB that are relevant to its operations and effective for accounting periods beginning on 1 January 2009.

IAS 1, “Presentation of financial statements” (Amendment)

The revised standard will prohibit the presentation of items of income and expenses (that is, ‘nonowner changes in equity’) in the statement of changes in equity, requiring ‘non-owner changes in equity’ to be presented separately from owner changes in equity. The revised standard gives preparers of financial statements the option of presenting items of income and expense and components of other comprehensive income either in a single statement of comprehensive income, or in two separate statements (a separate income statement followed by a statement of comprehensive income). Therefore, the Company elected to present the items of income and expenses and components of other comprehensive income in two separate statement format. The financial statements and notes are prepared in accordance with the revisions to the standard.

IFRS 8, “Operating segments”

IFRS 8 “Operating Segments” replaces IAS 14 “Segment Reporting”. This standard requires the identification of operating segments on the basis of internal reports that are regularly reviewed by the entity's chief operating decision maker in order to allocate resources to the segment and assess its performance. In addition, the segments are reported in a manner that is more consistent with the internal reporting provided to the chief operating decision-maker. This has not resulted in a change in the number of reportable segments presented.

The following standards, amendments and interpretations to published standards are mandatory for accounting periods beginning on or after 1 January 2009 but they are not relevant to the Group’s operations:

- IFRS 1 (Amendment), “First-time Adoption of International Financial Reporting Standards”
- IFRS 2 (Amendment), “Share-based Payment”
- IFRS 7 (Amendment), “Financial Instruments: Disclosures”
- IFRS 8 “Operating Segments”
- IAS 23 (Amendment) “Borrowing Costs”
- IAS 32 (Amendment), “Financial Instruments: Presentation”
- IAS 39 (Amendment), “Financial Instruments: Recognition and Measurement”
- IFRIC 13, “Customer Loyalty Programs”
- IFRIC 15, “Agreements for construction of real estates”
- IFRIC 16, “Hedges of a net investment in a foreign operation”

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (cont’d)

AYGAZ A.Ş. AND ITS SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2009

(Amounts are expressed as Turkish Lira (“TL”) unless otherwise stated)

2.3 Adoption of New and Revised International Financial Reporting Standards

Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Group

At the date of authorization of these financial statements, the following Standards and Interpretations were in issue but not yet effective:

- | | |
|--|--|
| • IFRIC 17, “Distributions of non-cash assets to owners” | Effective for annual periods beginning on or after 1 July 2009 |
| • IFRIC 18, “Transfers of Assets from Customers”
Effective for transfers received on or after 1 | Effective for annual periods beginning on or after 1 July 2009 |
| • IFRS 3, “Business Combinations” | Effective for annual periods beginning on or after 1 July 2009 |
| • IAS 27, “Consolidated and Separate Financial Statements | Effective for annual periods beginning on or after 1 July 2009 |
| • IAS 28, “Investments in Associates” | Effective for annual periods beginning on or after 1 July 2009 |
| • IAS 31 “Interests in Joint Ventures”
Comprehensive revision on applying the acquisition method | Effective for annual periods beginning on or after 1 July 2009 |
| • IAS 39, “Financial Instruments: Recognition and Measurement”
Amendments for Eligible Hedged Items | Effective for annual periods beginning on or after 1 July 2009 |

IFRS 3, “Business Combinations”

The revised standard continues to apply the acquisition method to business combinations, with some significant changes. For example, all payments to purchase a business are to be recorded at fair value at the acquisition date, with contingent payments classified as debt subsequently re-measured through the income statement.

IFRIC 17, “Distributions of non-cash assets to owners”

IFRIC 17 applies to all reciprocal non-cash distributions of assets by an entity to its owners, including the distributions that give owners a choice of receiving either non-cash assets or a cash alternative. The adoption of the Interpretation in future periods will have no material impact on the financial statements of the Group.

IFRIC 18 “Transfers of Assets From Customers”

The interpretation clarifies the accounting for cash received from a customer that must be used only to acquire or construct the item of property, plant, and equipment in order to connect the customer to a network or provide the customer with ongoing access to a supply of goods or services. The adoption of the Interpretation in future periods will have no material impact on the financial statements of the Group.

AYGAZ A.Ş. AND ITS SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2009

(Amounts are expressed as Turkish Lira (“TL”) unless otherwise stated)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (cont’d)

2.3 Adoption of New and Revised International Financial Reporting Standards (cont’d)

IAS 39, “Financial Instruments: Recognition and Measurement” Amendments for eligible hedged items

This amendment clarifies hedging financial assets and liabilities against inflation only when cash outflows is affected by the inflation according to the financial agreement.

2.4 Restatement and Errors in the Accounting Policies and Estimates

Material changes in accounting policies or material errors are corrected, retrospectively by restating the prior period consolidated financial statements. The effect of changes in accounting estimates affecting current and future periods is recognized in the current and future periods.

2.5 Summary of Significant Accounting Policies

The condensed interim consolidated financial statement for the period ended 31 March 2009 have been prepared in accordance with IAS 34 “Interim Financial Reporting”. The accounting policies used in the preparation of these condensed interim consolidated financial statements for the period ended 31 March 2009 are consistent with those used in the preparation of annual consolidated financial statement for the year ended 31 December 2008. Accordingly, these condensed consolidated financial statements should be read in conjunction with the annual consolidated financial statements for the year ended 31 December 2008.

3. BUSINESS COMBINATIONS

The Group has acquired 50% shares of Aygaz Doğal Gaz Toptan Satış A.Ş. and Aygaz Doğal Gaz İletim A.Ş., which are the joint ventures accounted with proportionate consolidation method with effective ownership of 47,99%, from Statoil Hydra ASA and paid 17.224.245 TL for these shares. As a result of this acquisition, Aygaz Doğal Gaz Toptan Satış A.Ş. and Aygaz Doğal Gaz İletim A.Ş., which were consolidated according to proportionate consolidation method as of 31 December 2008, are accounted with purchase accounting method according to IFRS 3 “Business Combinations”. In this respect, fair values of identifiable assets and liabilities and contingent liabilities of Aygaz Doğal Gaz Toptan Satış A.Ş. and Aygaz Doğal Gaz İletim A.Ş. should be determined. As the fair value of identifiable assets, liabilities and contingent liabilities could not be determined yet as of 31 March 2009, related transactions are accounted temporarily according to IFRS 3 in the accompanying financial statements.

Net assets and negative goodwill income as a result of purchase accounting is as follows and accounted under “other income” in the income statement:

AYGAZ A.Ş. AND ITS SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2009

(Amounts are expressed as Turkish Lira (“TL”) unless otherwise stated)

3. BUSINESS COMBINATIONS (cont’d)

	9 Jan 2009 <u>Historical Value</u>
Cash and cash equivalents	5.999.751
Trade receivables	9.398.573
Due from related parties	778.395
Inventories	436.547
Other current assets	1.717.036
Property, plant and equipment	30.410.583
Intangible assets	274.353
Trade payables	(6.495.783)
Due to related parties	(152.120)
Other payables	(242.584)
Deffered tax liabilities	(1.127.543)
Other liabilities	(1.222.888)
Total net asset	<u>39.774.320</u>
Company shares acquired	50%
Net assets acquired(A)	19.887.160
Cash payments for the shares acquired (B)	17.224.245
Cash and cash equivalents purchased (C)	2.999.876
Net cash paid (B-C)	14.224.369
Negative goodwill income (A-B)	2.662.915

The Group has purchased 8,93% shares of Mogaz Petrol Gazları A.Ş, a subsidiary of the group, from Hilal Madeni Eşya Ticaret Sanayi ve Yatırım A.Ş, a subsidiary of the Group’s Partner Liquid Petroleum Dev.Co, in 2008 and paid 22.673.160 TL. The Group also purchased 3,87% shares of Entek, a subsidiary of the group, in 2008 and paid 6.965.236 TL. These transactions are evaluated as a transaction between the shareholders. Consequently, the difference between the purchase cost and net asset purchased are accounted as “the transactions with minority shares”.

AYGAZ A.Ş. AND ITS SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2009

(Amounts are expressed as Turkish Lira (“TL”) unless otherwise stated)

4. SEGMENTAL INFORMATION

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	Gas and petroleum products	Electricity	Other	Eliminations	Total
	31 December 2008	31 December 2008	31 December 2008	31 December 2008	31 December 2008
Assets					
Current Assets	614.564.369	137.652.273	58.964.083	(12.137.375)	799.043.350
Non-current Assets	1.723.275.938	234.549.313	17.060.752	(308.949.089)	1.665.936.914
Total assets	2.337.840.307	372.201.586	76.024.835	(321.086.464)	2.464.980.264
Liabilities					
Short term liabilities	752.025.492	62.426.541	20.367.334	(12.137.375)	822.681.992
Long term liabilities	91.308.714	70.337.363	2.712.565	4.244.655	168.603.297
Equity	1.494.506.101	239.437.682	52.944.936	(313.193.744)	1.473.694.975
Total Equity and Liability	2.337.840.307	372.201.586	76.024.835	(321.086.464)	2.464.980.264

AYGAZ A.Ş. AND ITS SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2009

(Amounts are expressed as Turkish Lira (“TL”) unless otherwise stated)

4. SEGMENTAL INFORMATION (cont’d)

	Gas and petroleum products	Electricity	Other	Eliminations	Total
	1 January- 31 March 2009	1 January- 31 March 2009	1 January- 31 March 2009	1 January- 31 March 2009	1 January- 31 March 2009
OPERATING INCOME					
Sales Revenue (net)	672.152.402	119.847.054	40.342.114	(21.258.830)	811.082.740
Cost of Sales (-)	(534.382.144)	(94.404.197)	(35.556.189)	20.712.522	(643.630.008)
GROSS PROFIT	137.770.258	25.442.857	4.785.925	(546.308)	167.452.732
Marketing Sales and Distribution Expenses	(25.576.981)	-	(1.036.948)	-	(26.613.929)
General Administration Expense	(18.336.660)	(3.479.038)	(1.718.460)	291.917	(23.242.241)
Research and Development Expense	(135.498)	-	-	-	(135.498)
Other Operating Income	12.429.386	3	355.619	2.380.827	15.165.835
Other Operating Expense	(7.435.878)	(17.825)	(175.207)	(3.764)	(7.632.674)
OPERATING PROFIT	98.714.627	21.945.997	2.210.929	2.122.672	124.994.225
Profit / (loss) from equity participations	-	-	-	(58.781.187)	(58.781.187)
Financial Income	27.417.744	7.621.299	992.709	(23.158.059)	12.873.693
Financial Expense	(44.729.566)	(4.036.316)	104.081	363.267	(48.298.534)
Profit/(Loss) Before Tax from Continuing Operations	81.402.805	25.530.980	3.307.719	(79.453.307)	30.788.197
Current tax	(9.951.611)	(2.476.530)	(679.317)	-	(13.107.458)
Deferred Tax	(1.948.924)	(1.007.080)	6.159	-	(2.949.845)
PROFIT/(LOSS) FOR THE PERIOD FROM	69.502.270	22.047.370	2.634.561	(79.453.307)	14.730.894
Profit / (loss) for the period	69.502.270	22.047.370	2.634.561	(79.453.307)	14.730.894
Attributable to:					
Minority Interest	223.138	6.503.727	263	-	6.727.128
Parent Company	69.279.132	15.543.643	2.634.298	(79.453.307)	8.003.766

AYGAZ A.Ş. AND ITS SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2009

(Amounts are expressed as Turkish Lira (“TL”) unless otherwise stated)

4. SEGMENTAL INFORMATION (cont’d)

	Gas and petroleum products	Electricity	Other	Eliminations	Total
	1 January- 31 March 2008	1 January- 31 March 2008	1 January- 31 March 2008	1 January- 31 March 2008	1 January- 31 March 2008
OPERATING INCOME					
Sales Revenue (net)	775.530.228	83.865.990	52.587.762	(27.180.579)	884.803.401
Cost of Sales (-)	(691.551.699)	(71.139.398)	(48.212.712)	25.823.316	(785.080.493)
GROSS PROFIT	83.978.529	12.726.592	4.375.050	(1.357.263)	99.722.908
Marketing Sales and Distribution Expense	(25.237.841)	(2.269.155)	(2.542.097)	128.110	(29.920.983)
General Administration Expense	(20.601.814)	-	(1.270.174)	-	(21.871.988)
Research and Development Expense	(195.293)	-	-	-	(195.293)
Other Operating Income	5.886.796	541.304	286.869	(174.349)	6.540.620
Other Operating Expense	(291.170)	(3.071.299)	(209.181)	42.943	(3.528.707)
Operating Profit/Loss	43.539.207	7.927.442	640.467	(1.360.559)	50.746.557
Profit / (loss) from equity participations	-	-	-	(44.484.121)	(44.484.121)
Financial Income	6.090.609	2.071.275	1.706.037	(90.860)	9.777.061
Financial Expense	(49.676.104)	(1.536.701)	(1.136.063)	90.860	(52.258.008)
Profit Before Tax from Continuing Operations	(46.288)	8.462.016	1.210.441	(45.844.680)	(36.218.511)
Current tax	(1.936.778)	-	(371.835)	-	(2.308.613)
Deferred Tax	1.588.183	4.240.110	50.333	-	5.878.626
Profit/(loss) from Continuing Operations	(394.883)	12.702.126	888.939	(45.844.680)	(32.648.498)
Profit/(loss) from discontinued operations	(1.136.306)	-	-	-	(1.136.306)
Profit for the period	(1.531.189)	12.702.126	888.939	(45.844.680)	(33.784.804)
Attributable to:					
Minority Interest	349.694	4.224.469	89	-	4.574.252
Parent Company Share	(1.880.883)	8.477.657	888.850	(45.844.680)	(38.359.056)

AYGAZ A.Ş. AND ITS SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2009

(Amounts are expressed as Turkish Lira (“TL”) unless otherwise stated)

4. SEGMENTAL INFORMATION (cont’d)

The amortization and depreciation expense for the industrial segmental assets is as follows:

	1 January- 31 March 2009	1 January- 31 March 2008
Gas and Petroleum Products	17.322.117	16.743.457
Electricity	6.677.639	6.555.772
Other	113.286	148.014
	<u>24.113.042</u>	<u>23.447.243</u>

The investment expenditures for the industrial segmental assets is as follows:

	1 January- 31 March 2009	1 January- 31 March 2008
Gas and Petroleum Products	15.055.220	15.969.417
Electricity	13.557.326	1.816.808
Other	139.892	42.621
	<u>28.752.438</u>	<u>17.828.846</u>

5. CASH AND CASH EQUIVALENTS

	31 March 2009	31 December 2008
Cash on hand	158.759	110.705
Cash at banks	227.555.383	401.047.434
<i>Demand deposits</i>	15.694.277	21.422.348
<i>Time deposits</i>	211.861.106	379.625.086
Government bonds	893.164	-
Receivables from credit card transactions	3.419.221	4.272.859
	<u>232.026.527</u>	<u>405.430.998</u>

AYGAZ A.Ş. AND ITS SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2009

(Amounts are expressed as Turkish Lira (“TL”) 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 31 March 2009 and 31 December 2008.

	31 March 2009		31 December 2008	
	Participation Amount	Participation Rate %	Participation Amount	Participation Rate %
Koç Finansal Hizmetler A.Ş. (*)	133.960.000	1,97	133.960.000	1,97
Opet Petrolcülük A.Ş.(*)	75.960.000	4,00	68.053.500	4,00
Ram Dış Ticaret A.Ş.(*)	1.739.527	2,50	1.739.527	2,50
Tanı Pazarlama ve İletişim Hizmetleri A.Ş.(***)	540.312	10,00	540.312	10,00
Tat Konserve Sanayi A.Ş. (**)	236.085	0,08	236.085	0,08
Eltek Elektrik Top. Tic . A.Ş. (***)	780.517	57,76	780.517	57,76
Other	23.277	-	23.277	-
Impairment reserve (-)	(1.584.625)	-	(1.584.073)	-
	<u>211.655.093</u>		<u>203.749.145</u>	

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

(**) Stated at fair value, permanent value diminution is accounted in income statement

(***) Stated at cost value even though it is Group's subsidiary due to its immaterial on the financial statements.

AYGAZ A.Ş. AND ITS SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2009

(Amounts are expressed as Turkish Lira (“TL”) unless otherwise stated)

7. FINANCIAL BORROWINGS

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AYGAZ A.Ş. AND ITS SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2009

(Amounts are expressed as Turkish Lira (“TL”) unless otherwise stated)

7. FINANCIAL BORROWINGS (cont’d)

Currency Type	Weighted Average Effective Interest Rate	31 March 2009	
		Current	Non-current
Turkish Lira	-	1.103.879	-
Turkish Lira	11,91%	117.420.000	-
US Dollars	Libor +2,50	136.034.579	-
US Dollars	3,48%	15.379.400	62.140.344
Euro	Euribor +4,49	5.102.496	117.967.400
		<u>275.040.354</u>	<u>180.107.744</u>

Currency Type	Weighted Average Effective Interest Rate	31 December 2008	
		Current	Non-current
Turkish Lira	-	106.965	-
US Dollars	libor+1	377.894.568	-
Euro	%4,32	14.087.924	55.672.300
		<u>392.089.457</u>	<u>55.672.300</u>

8. TRADE RECEIVABLES AND PAYABLES

The Group’s receivables as of the balance sheet date are as follows:

	31 March 2009	31 December 2008
<u>Current trade receivables</u>		
Trade receivables	271.793.281	204.488.399
Notes receivable	50.579.976	53.547.234
Allowance for doubtful receivables (-)	(11.808.354)	(11.359.341)
	<u>310.564.903</u>	<u>246.676.292</u>

AYGAZ A.Ş. AND ITS SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2009

(Amounts are expressed as Turkish Lira (“TL”) unless otherwise stated)

8. TRADE RECEIVABLES AND PAYABLES (cont’d)

	31 March 2009	31 December 2008
<u>Non-Current trade receivables</u>		
Notes receivable	1.095.944	844.262

As of the balance sheet date, details of Group’s trade payables are as follows:

	31 March 2009	31 December 2008
<u>Short term trade payables</u>		
Trade payables	121.589.881	270.746.257
Other trade payables	188.981	158.618
	<u>121.778.862</u>	<u>270.904.875</u>

9. INVENTORIES

	31 March 2009	31 December 2008
Raw materials	17.468.574	19.043.855
Work in process	548.538	394.315
Finished goods	1.821.878	4.169.607
Trade goods	89.156.437	53.417.281
Other inventory	6.887.503	7.058.516
	<u>115.882.930</u>	<u>84.083.574</u>

AYGAZ A.Ş. AND ITS SUBSIDIARIES

**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2009**

(Amounts are expressed as Turkish Lira (“TL”) unless otherwise stated)

10 . EQUITY INVESTMENTS

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AYGAZ A.Ş. AND ITS SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2009

(Amounts are expressed as Turkish Lira ("TL") unless otherwise stated)

11. PROPERTY, PLANT AND EQUIPMENT

<u>Acquisition Cost</u>	1 January 2009	Business combinations (note 3)	Additions	Transfers	Disposals	31 March 2009
Land	29.267.385	-	41.000	-	-	29.308.385
Land Improvements	95.615.974	615.729	-	-	-	96.231.703
Buildings	71.761.662	48.402	65.100	-	-	71.875.164
Machinery and Equipment	886.932.935	14.055.849	169.755	2.127.132	(837.395)	902.448.276
LPG Cylinders	850.800.386	-	10.083.202	-	(3.803.922)	857.079.666
Vehicles	25.381.629	3.161.053	40.076	-	(90.120)	28.492.638
Vessels	145.722.387	-	-	-	-	145.722.387
Furniture and Fixtures	45.212.094	287.138	262.865	-	(111.088)	45.651.009
Leasehold improvements	23.135.135	576.040	-	-	-	23.711.175
Construction in progress	11.346.692	116.486	18.006.591	(2.127.132)	-	27.342.637
	<u>2.185.176.279</u>	<u>18.860.697</u>	<u>28.668.589</u>	<u>-</u>	<u>(4.842.525)</u>	<u>2.227.863.040</u>

<u>Accumulated Depreciation</u>	1 January 2009	Business combinations (note 3)	Charge for the period	Transfers	Disposals	31 March 2009
Land Improvements	37.249.048	69.918	998.141	-	-	38.317.107
Buildings	39.082.511	7.700	540.955	-	-	39.631.166
Machinery and Equipment	547.115.073	1.422.230	11.131.846	-	(709.786)	558.959.363
LPG Cylinders	693.839.543	-	8.557.895	-	(3.807.513)	698.589.925
Vehicles	21.742.693	1.632.876	703.523	-	(85.587)	23.993.505
Vessels	120.262.514	-	410.853	-	-	120.673.367
Furniture and Fixtures	34.571.586	84.165	859.187	-	(109.545)	35.405.393
Leasehold improvements	19.308.960	134.410	455.547	-	-	19.898.917
	<u>1.513.171.928</u>	<u>3.351.299</u>	<u>23.657.947</u>	<u>-</u>	<u>(4.712.431)</u>	<u>1.535.468.743</u>
Net Book Value	<u>672.004.351</u>					<u>692.394.297</u>

AYGAZ A.Ş. AND ITS SUBSIDIARIES

**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2009**

(Amounts are expressed as Turkish Lira (“TL”) unless otherwise stated)

11. PROPERTY, PLANT AND EQUIPMENT (cont’d)

<u>Acquisition Cost</u>	1 January 2008	Translation Difference	Additions	Transfers	Disposals	31 March 2008
Land	29.283.997	-	-	-	(216.061)	29.067.936
Land Improvements	91.640.328	25.051	10.307	60.725	-	91.736.411
Buildings	81.784.156	2.285.950	3.001	-	-	84.073.107
Machinery and Equipment	864.067.075	520.230	351.828	1.722.314	(1.502.851)	865.158.596
LPG Cylinders	852.585.014	308.294	8.906.491	-	(9.987.356)	851.812.443
Vessels	145.522.191	-	-	-	-	145.522.191
Vehicles	26.604.201	346.983	118.436	1.900	(224.593)	26.846.927
Furniture and Fixtures	42.794.819	-	281.526	9.327	(214.139)	42.871.533
Leasehold improvements	22.893.628	-	570	-	-	22.894.198
Construction in progress	10.903.753	-	7.985.060	(1.794.266)	-	17.094.547
	<u>2.168.079.162</u>	<u>3.486.508</u>	<u>17.657.219</u>	<u>-</u>	<u>(12.145.000)</u>	<u>2.177.077.889</u>

<u>Accumulated Depreciation</u>	1 January 2008	Translation Difference	Charge for the period	Transfers	Disposals	31 March 2008
Land Improvements	33.622.500	4.933	913.588	-	-	34.541.021
Buildings	37.807.165	172.497	598.730	-	-	38.578.392
Machinery and Equipment	512.128.679	185.685	10.528.909	-	(1.119.544)	521.723.729
LPG Cylinders	685.544.796	-	8.582.052	-	(9.953.883)	684.172.965
Vessels	118.626.913	-	408.350	-	-	119.035.263
Vehicles	20.881.049	161.406	646.221	-	(197.751)	21.490.925
Furniture and Fixtures	32.018.516	-	821.696	-	(174.962)	32.665.250
Leasehold improvements	17.433.412	-	501.233	-	-	17.934.645
	<u>1.458.063.030</u>	<u>524.521</u>	<u>23.000.779</u>	<u>-</u>	<u>(11.446.140)</u>	<u>1.470.142.190</u>
Net book value	<u>710.016.132</u>					<u>706.935.699</u>

AYGAZ A.Ş. AND ITS SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2009

(Amounts are expressed as Turkish Lira (“TL”) unless otherwise stated)

12. INTANGIBLE ASSETS

Acquisition Cost	Rights	Other intangible fixed assets	Total
Opening balance as of 1 January 2009	13.288.755	605.209	13.893.964
Additions	83.849	-	83.849
Business combinations (note 3)	236.680	-	236.680
Ending balance as of 31 March 2009	13.609.284	605.209	14.214.493
Accumulated Depreciation			
Opening balance as of 1 January 2009	9.655.145	422.082	10.077.227
Charge for the period	443.266	11.829	455.095
Business combinations (note 3)	96.760	-	96.760
Ending balance as of 31 March 2009	10.195.171	433.911	10.629.082
Carrying Value as of 31 March 2009	3.414.113	171.298	3.585.411

Acquisition Cost	Rights	Other Intangible Fixed Assets	Total
Opening balance as of 1 January 2008	12.605.042	529.348	13.134.390
Translation difference	40.427	-	40.427
Additions	171.627	-	171.627
Ending balance as of 31 March 2008	12.817.096	529.348	13.346.444
Accumulated Depreciation			
Opening balance as of 1 January 2008	8.106.782	367.808	8.474.590
Translation difference	38.444	-	38.444
Charge for the period	433.512	12.952	446.464
Ending balance as of 31 March 2008	8.578.738	380.760	8.959.498
Carrying Value as of 31 March 2008	4.238.358	148.588	4.386.946

AYGAZ A.Ş. AND ITS SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2009

(Amounts are expressed as Turkish Lira (“TL”) unless otherwise stated)

13. PROVISIONS, CONTINGENT LIABILITIES, CONTINGENT ASSETS

	31 March 2009	31 December 2008
<u>Guarantees Given</u>		
Letter of guarantees given to customs for gas import	22.258.000	21.408.000
Other Letter of guarantees given	123.186.727	119.163.477
	<u>145.444.727</u>	<u>140.571.477</u>

The Liability for Environmental Pollution:

According to the 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 tankers or the rented tankers 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.

14. OTHER LIABILITIES

	31 March 2009	31 December 2008
<u>Other payables</u>		
Due to Personnel	707.582	9.790.225
Other sundry payables	36.398	2.382.945
Dividend payables to related parties	30.189.724	-
	<u>30.933.704</u>	<u>12.173.170</u>
	31 March 2009	31 December 2008
<u>Other long term payables</u>		
Cylinder deposits received	50.379.886	49.748.518

AYGAZ A.Ş. AND ITS SUBSIDIARIES**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2009**

(Amounts are expressed as Turkish Lira (“TL”) unless otherwise stated)

15. OTHER SHORT/LONG TERM ASSETS AND SHORT/LONG TERM LIABILITIES

	31 March 2009	31 December 2008
Other Current Assets		
Order advances given for inventories	16.124.661	23.528.301
Prepaid expenses	15.503.704	10.568.043
Prepaid tax	2.637.939	3.987.477
VAT deductible	91.203	3.155.511
VAT carried forward	1.140.414	697.046
Other current assets	297.561	220.596
	<u>35.795.482</u>	<u>42.156.974</u>
	31 March 2009	31 December 2008
Other Non-Current Assets		
Advances given for fixed asset acquisitions	22.757.956	27.188.532
Prepaid expenses	19.308.762	15.372.773
	<u>42.066.718</u>	<u>42.561.305</u>
	31 March 2009	31 December 2008
Other Short Term Liabilities		
Taxes and funds payables	71.710.909	83.354.214
Cost accruals	34.084.331	15.113.705
Social security premiums payables	1.822.779	1.811.760
Advances received	106.528	1.546.082
Unearned revenue	446.272	138.934
Other liabilities	155.730	53.288
	<u>108.326.549</u>	<u>102.017.983</u>

AYGAZ A.Ş. AND ITS SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2009

(Amounts are expressed as Turkish Lira (“TL”) unless otherwise stated)

16. SHARE CAPITAL

As of 31 March 2009 and 31 December 2008 the share capital held is as follows:

Shareholders	Participation rate	31 March 2009	Participation rate	31 December 2008
Koç Holding A.Ş.	40,68%	122.053.514	40,68%	122.053.514
Temel Ticaret A.Ş.	4,82%	14.456.082	4,82%	14.456.082
Koç Family	5,71%	17.132.972	5,71%	17.132.972
Liquid Petroleum Dev. Co.	24,52%	73.545.662	24,52%	73.545.662
Other	24,27%	72.811.770	24,27%	72.811.770
Nominal Capital	100%	300.000.000	100%	300.000.000
Inflation adjustment		71.503.640		71.503.640
Adjusted capital		<u>371.503.640</u>		<u>371.503.640</u>

17. FINANCE INCOME

Financial income for the period ended 31 March 2009 and 31 March 2008 are as follows:

	1 January- 31 March 2009	1 January- 31 March 2008
Interest income	6.565.491	3.434.831
Profit on sale of marketable securities	200	44.372
Income generated from maturity differences of sales made on credit	6.308.002	6.092.703
Other Income	-	205.155
	<u>12.873.693</u>	<u>9.777.061</u>

AYGAZ A.Ş. AND ITS SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2009

(Amounts are expressed as Turkish Lira (“TL”) unless otherwise stated)

18. FINANCE EXPENSE

Financial expense for the periods ended 31 March 2009 and 31 March 2008 are as follows:

	1 January- 31 March 2009	1 January- 31 March 2008
Expense from maturity differences of purchases on credit	(3.540.153)	(495.509)
Foreign exchange translation loss	(38.174.569)	(44.489.246)
Interest expense	(4.590.413)	(5.155.722)
Finance lease interest expense	-	(5.473)
Credit commission expense	(1.809.934)	(1.615.449)
Other financial expenses	(183.465)	(496.609)
	<u>(48.298.534)</u>	<u>(52.258.008)</u>

19. TAX ASSETS AND LIABILITIES

	31 March 2009	31 December 2008
<u>Current tax liability</u>		
Current corporate tax provision	13.107.458	25.981.117
Less: prepaid taxes and funds	(7.263.339)	(23.910.058)
	<u>5.844.119</u>	<u>2.071.059</u>

Tax Liability in Income Statement

	1 January- 31 March 2009	1 January- 31 March 2008
From Continuing Operations		
<u>Current tax liability</u>		
Current corporate tax provision	(13.107.458)	(2.308.613)
Deferred tax (expense) / income	(2.949.845)	5.878.626
	<u>(16.057.303)</u>	<u>3.570.013</u>

AYGAZ A.Ş. AND ITS SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2009

(Amounts are expressed as Turkish Lira (“TL”) unless otherwise stated)

19. TAX ASSETS AND LIABILITIES(cont’d)

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 exempt income and other deductables.

The effective rate of tax in 2009 is 20% (2008: 20%).

In Turkey, advance tax returns are filed on a quarterly basis. The advance corporate income tax rate in 2009 is 20% (2008: 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.

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 2009.(2008: 20%)

<u>Deferred tax (assets)/ liabilities:</u>	<u>31 March 2009</u>	<u>31 December 2008</u>
Restatement and depreciation / amortization differences of property, plant and equipment and other intangible assets	50.796.255	51.554.873
Provision for employment termination benefits	(2.738.540)	(2.656.740)
Tax losses carried forward	-	(1.933.221)
Valuation of Inventories	437.291	(1.492.169)
Effective interest method adjustment	491.876	42.388
Revaluation fund on financial assets	4.639.980	4.244.656
Provision expenses	(49.918)	-
Other	32.062	(70.998)
	<u>53.609.006</u>	<u>49.688.789</u>

AYGAZ A.Ş. AND ITS SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2009

(Amounts are expressed as Turkish Lira (“TL”) unless otherwise stated)

19. TAX ASSETS AND LIABILITIES (cont’d)

Movement of the deferred tax (assets)/liabilities for the continued operations is as follows:

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AYGAZ A.Ş. AND ITS SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2009

(Amounts are expressed as Turkish Lira (“TL”) unless otherwise stated)

20. TRANSACTIONS WITH RELATED PARTIES

Balances with related parties	31 March 2009			
	Receivables		Payables	
	Trade	Non-Trade	Trade	Non -Trade
Türkiye Petrol Rafinerileri A.Ş.	5.753.236	-	15.748.306	-
Opet Petrolcülük A.Ş.	3.363.476	-	5.187.326	-
Tofaş Türk Otomobil Fabrikası A.Ş.	3.225.460	-	-	-
Zinerji Enerji Sanayi ve Ticaret A.Ş.	1.079.921	-	-	-
Demir Export A.Ş.	398.648	-	-	-
Vehbi Koç Vakfı Koç Üniversitesi	392.197	-	40.000	-
Ford Otomotiv Sanayi A.Ş.	378.289	-	-	-
Arçelik A.Ş.	212.722	-	13.125.388	-
Otokar Otobüs Karoseri Sanayi A.Ş.	131.803	-	9.065	-
RMK Marine Gemi Yapım San. ve Deniz Taş. İşl.	126.980	-	-	-
Harranova Besi ve Tarım Ürünleri A.Ş.	120.467	-	-	-
Otokoç Otomotiv Tic. ve San. A.Ş.	85.227	-	358.841	-
Türk Traktör ve Ziraat Makinaları A.Ş.	82.087	-	-	-
Kanel Kangal Elektrik A.Ş.	59.030	-	-	-
Arçelik LG Klima San. ve Tic. A.Ş.	47.995	-	687.045	-
Altinyunus Çeşme Turistik Tesisler. A.Ş.	40.822	-	-	-
Marmaris Altinyunus Turistik Tesisleri A.Ş.	27.277	-	-	-
Beldesana Otomotiv Yan Sanayii ve Tic. A.Ş.	4.973	-	-	-
Yapı Kredi Kültür Sanat Yayıncılık Tic.ve San.	3.411	-	-	-
Tat Konserve Sanayi A.Ş.	3.093	-	-	-
Küsel Ltd. Şti.	2.092	-	-	-
Palmira Turizm Ticaret A.Ş.	1.358	-	77	-
Vehbi Koç ve Ankara Araştırma Merkezi	1.100	-	-	-
Grundig Elektronik A.Ş.	998	-	-	-
Koçtaş Yapı Marketleri Sanayi ve Ticaret A.Ş.	430	-	141.064	-
Düzye Tüketim Malları Pazarlama A.Ş.	104	-	78.736	-
Koç Holding A.Ş.	79	-	506.868	-
Beldeyama Motorlu Vasıtalar San. A.Ş.	-	-	296.581	-
Ram Dış Ticaret A.Ş.	-	-	414.215	-
Zer Merkezi Hizmetler ve Ticaret A.Ş.	-	-	627.376	-
Ram Sigorta Aracılık Hizmetleri A.Ş.	-	-	2.052.283	-
Koç Sistem Bilgi ve İletişim Hizm. A.Ş.	-	-	341.844	-
TBS Denizcilik ve Petrol Ürünleri Dış Ticaret	-	-	314.390	-
Tanı Pazarlama ve İletişim A.Ş.	-	-	164.281	-
Koçnet Haberleşme Teknoloji ve İletişim Hizm.	-	-	106.757	-
Opet-Fuchs Madeni Yağlar	-	-	16.000	-
Promena Elektronik Ticaret A.Ş.	-	-	21.616	-
Setur Servis Turistik A.Ş.	-	-	101.616	-
Yapı Kredi Bankası A.Ş.	-	-	7.383	-
Yapı Kredi Sigorta A.Ş.	-	-	2.381	-
Dividend payable to shareholders(note 14)	-	-	-	30.189.724
	15.543.275	-	40.349.439	30.189.724

AYGAZ A.Ş. AND ITS SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2009

(Amounts are expressed as Turkish Lira (“TL”) unless otherwise stated)

20. TRANSACTIONS WITH RELATED PARTIES (cont’d)

Balances with related parties	31 December 2008			
	Receivables		Payables	
	Trade	Non-Trade	Trade	Non -Trade
Türkiye Petrol Rafinerileri A.Ş.	6.573.641	-	11.539.059	-
Tofaş Türk Otomobil Fabrikası A.Ş.	2.649.519	-	-	-
Zinerji Enerji Sanayi ve Ticaret A.Ş.	870.275	-	-	-
Arçelik A.Ş.	643.279	-	13.439.941	-
Vehbi Koç Vakfı Koç Üniversitesi	392.261	-	174	-
Demir Export A.Ş.	236.336	-	-	-
Harranova Besi ve Tarım Ürünleri A.Ş.	233.225	-	-	-
Ford Otomotiv Sanayi A.Ş.	200.454	-	-	-
Otokar Otobüs Karoseri Sanayi A.Ş.	138.469	-	-	-
RMK Marine Gemi Yapım San. ve Deniz Taş. İşl.	125.932	-	-	-
Otokoç Otomotiv Tic. ve San. A.Ş.	102.613	-	289.786	-
Kanel Kangal Elektrik A.Ş.	59.030	-	-	-
Arçelik LG Klima San. ve Tic. A.Ş.	37.751	-	-	-
Palmira Turizm Ticaret A.Ş.	1.358	-	24.773	-
Beldeyama Motorlu Vasıtalar San. A.Ş.	303	-	-	-
Ram Dış Ticaret A.Ş.	-	-	6.512.863	-
Opet Petrolcülük A.Ş.	4.304.591	-	5.564.128	-
Zer Merkezi Hizmetler ve Ticaret A.Ş.	-	-	2.215.144	-
Ram Sigorta Aracılık Hizmetleri A.Ş.	-	-	2.082.091	-
Koç Sistem Bilgi ve İletişim Hizm. A.Ş.	-	-	609.831	-
TBS Denizcilik ve Petrol Ürünleri Dış Ticaret A.Ş.	-	-	270.588	-
Koç Holding A.Ş.	-	-	251.677	-
Tanı Pazarlama ve İletişim A.Ş.	-	-	240.319	-
Koçtaş Yapı Marketleri Sanayi ve Ticaret A.Ş.	-	-	136.809	-
Koçnet Haberleşme Teknoloji ve İletişim Hizm.	-	-	64.057	-
Türk Traktör ve Ziraat Makinaları A.Ş.	-	-	7.254	-
Tat Konserve Sanayi A.Ş.	62.623	-	-	-
Altinyunus Çeşme Turistik Tesisler. A.Ş.	23.995	-	-	-
Eltek Elektrik İthalat İhracat ve Toptan Ticaret	15.902	-	-	-
RMK Müzecilik ve Kültür Vakfı	5.443	-	-	-
Beldesana Otomotiv Yan Sanayii ve Tic. A.Ş.	4.986	-	-	-
Yapı Kredi Kültür Sanat Yayıncılık Tic.ve San.	4.385	-	-	-
Marmaris Altinyunus Turistik Tesisleri A.Ş.	1.575	-	-	-
Küsel Ltd. Şti.	1.101	-	-	-
Düzey Tüketim Malları Pazarlama A.Ş.	210	-	45.652	-
Opet-Fuchs Madeni Yağlar	-	-	19.578	-
Promena Elektronik Ticaret A.Ş.	-	-	10.461	-
Setur Servis Turistik A.Ş.	-	-	93.536	-
Yapı Kredi Bankası A.Ş.	-	-	2.239	-
Oriente Klassik Giyim San.ve Tic. A.Ş.	-	-	201	-
Other	7.207	-	5.287	-
	16.696.464	-	43.425.448	-

AYGAZ A.Ş. AND ITS SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2009

(Amounts are expressed as Turkish Lira (“TL”) unless otherwise stated)

20. TRANSACTIONS WITH RELATED PARTIES (cont'd)

Transactions with related parties	1 January - 31 March 2009			
	Purchases (Good)	Sales (Good)	Purchases (Service)	Sales (Service)
Türkiye Petrol Rafinerileri A.Ş.	30.454.309	356.175	242.431	5.654
Arçelik A.Ş.	12.328.749	1.312.311	3.012	21.604
Opet Petrolcülük A.Ş.	11.377.204	353.927	180.877	191.281
TBS Denizcilik ve Petrol Ürünleri Ticaret A.Ş.	1.090.988	-	-	-
Ram Dış Ticaret A.Ş.	777.683	-	490	-
Arçelik LG Klima San. ve Tic. A.Ş.	625.457	113.219	-	-
Koçtaş Yapı Marketleri Ticaret A.Ş.	435.893	32.575	1.206	-
Zer Merkezi Hizmetler ve Ticaret A.Ş.	319.200	745.900	3.946.498	4.032
Beldeyama Motorlu Vasıtalar San. A.Ş.	251.586	-	-	-
Opet-Fuchs Madeni Yağlar	99.694	-	-	-
Tam Pazarlama ve İletişim Hizmetleri A.Ş.	13.847	-	387.242	-
Koç Sistem Bilgi ve İletişim Hizmetleri A.Ş.	13.747	3.925	772.937	-
Otokar Otobüs Karoseri Sanayi A.Ş.	7.589	222.919	32.546	-
Düzyer Tüketim Malları Pazarlama A.Ş.	5.585	331	87.009	-
Palmira Turizm Ticaret A.Ş.	4.217	9.249	1.723	-
Grundig Elektronik A.Ş.	3.597	58.854	-	-
Koçnet Haberleşme Teknoloji ve İlet. Hizm. A.Ş.	1.125	-	409.238	-
Otokoç Otomotiv Tic. ve San. A.Ş.	691	445.215	878.841	727
Tofaş Türk Otomobil Fabrikası A.Ş.	-	7.226.768	7.369	108.664
Demir Export A.Ş.	-	1.854.354	-	-
Vehbi Koç Vakfı Koç Üniversitesi	-	823.197	61.821	-
Ford Otomotiv Sanayi A.Ş.	-	651.567	100	-
RMK Marine Gemi Yapım San. ve Deniz Taş. İşl. A.	-	357.778	-	-
Harranova Besi ve Tarım Ürünleri A.Ş.	-	274.224	-	-
Türk Traktör ve Ziraat Makinaları A.Ş.	-	218.709	-	-
Altinyunus Çeşme Turistik Tesisler. A.Ş.	-	128.618	-	2.586
Marmaris Altinyunus Turistik Tesisleri A.Ş.	-	106.672	752	-
Tat Konserve Sanayi A.Ş.	-	27.717	-	-
Setur Servis Turistik A.Ş.	-	5.556	310.763	532
Ram Sigorta Aracılık Hizmetleri A.Ş.	-	-	5.395.508	-
Koç Holding A.Ş.	-	-	2.120.784	-
Setair Hava Taşımacılığı ve Hizm. A.Ş.	-	-	547.945	-
Temel Ticaret ve Yatırım A.Ş.	-	-	12.165	-
Beldesani Otomotiv Yan Sanayii ve Tic. A.Ş.	-	-	-	4.214
Promena Elektronik Ticaret A.Ş.	-	-	41.376	-
Yapı Kredi Bankası A.Ş.	-	-	6.433	-
Yapı Kredi Sigorta A.Ş.	-	-	2.382	-
Yapı Kredi Yatırım Menkul Değerler A.Ş.	-	-	13.203	-
	<u>57.811.161</u>	<u>15.329.760</u>	<u>15.464.651</u>	<u>339.294</u>

AYGAZ A.Ş. AND ITS SUBSIDIARIES**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2009**

(Amounts are expressed as Turkish Lira (“TL”) unless otherwise stated)

20. TRANSACTIONS WITH RELATED PARTIES (cont’d)

Balances with related parties	1 January - 31 March 2008			
	Purchases (Good)	Sales (Good)	Purchases (Service)	Sales (Service)
Türkiye Petrol Rafinerileri A.Ş.	111.891.314	367.829	-	-
Opet Petrolcülük A.Ş.	17.662.819	418.140	-	-
Arçelik A.Ş.	15.872.534	4.563.110	-	18.899
Ram Dış Tic. A.Ş.	6.943.671	32.719	80.354	-
TBS Denizcilik ve Pet. Ürn. Dış Ticaret A.Ş.	1.737.289	-	-	-
Koçtaş Yapı Marketleri Sanayi ve Ticaret A.Ş.	580.618	42.647	2.016	-
Migros Türk A.Ş.(*)	229.879	293.752	-	1.417
Tofaş Türk Otomobil Fabrikaları A.Ş.	-	8.688.434	6.647	74.311
Demir Export A.Ş.	-	3.805.925	-	-
Ford Otomotiv Sanayi A.Ş.	-	2.999.523	-	-
Demrad Döküm Ürünleri Sınai Ticaret A.Ş.(*)	-	648.057	-	-
Türk Traktör ve Ziraat Makinaları A.Ş.	-	599.357	-	-
Koç Üniversitesi	-	556.309	83.879	-
Otokoç Otomotiv Tic. ve San. A.Ş.	-	419.100	667.018	3.050
RMK Marine Gemi Yapım Sanayi Deniz Taş. İşl. A.	-	382.282	-	-
Otokar Otobüs Karoseri Sanayi A.Ş.	-	291.693	-	-
Arçelik LG Klima San. Ve Tic. A.Ş.	-	177.220	-	-
Palmira Turizm Ticaret A.Ş.	-	80.562	503.681	-
Otoyol Sanayi A.Ş.	-	72.460	-	-
Tat Konserve Sanayi A.Ş.	-	33.682	-	-
Zer Merkezi Hizmetler ve Ticaret A.Ş.	-	23.700	3.289.786	25.822
Vehbi Koç Vakfı Amerikan Hastanesi	-	5.075	-	-
Koç Sistem Bilgi ve İletişim Hizm. A.Ş.	-	-	425.575	-
Sanal Merkez Ticaret A.Ş.(*)	-	-	2.205	-
Koç Holding A.Ş.	-	-	1.527.250	-
Ram Sigorta Aracılık Hiz. A.Ş.	-	-	3.914.052	-
Setur Servis Turistik A.Ş.	-	-	331.592	-
Tanı Pazarlama A.Ş.	-	-	172.007	-
Koç-Net Haberleşme Tekno. Hizm. A.Ş.	-	-	302.989	-
Setair Hava Taşımacılığı ve Hizm. A.Ş.	-	-	427.361	-
Düzyey Tüketim Malları A.Ş.	-	-	143.040	-
Koç Allianz Sigorta T.A.Ş.(*)	-	-	43.785	-
Other	83.539	723.852	123.067	29.258
	<u>155.001.663</u>	<u>25.225.428</u>	<u>12.046.304</u>	<u>152.757</u>

(*) These companies are sold in 2008 and are no longer a related party.

AYGAZ A.Ş. AND ITS SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2009

(Amounts are expressed as Turkish Lira (“TL”) unless otherwise stated)

20. TRANSACTIONS WITH RELATED PARTIES (cont’d)

Fixed asset and rent transactions with related parties	1 January - 31 March 2009			
	Rent income	Rent expense	Fixed assets purchases	Fixed asset sales
Koç Sistem Bilgi ve İletişim Hizmetleri A.Ş.	-	-	69.883	-
Otokoç Otomotiv Tic. ve San. A.Ş.	-	55.820	25.193	-
Koçnet Haberleşme Teknoloji ve İlet. Hizm. A.Ş.	-	-	2.918	-
Koçtaş Yapı Marketleri Ticaret A.Ş.	-	-	1.111	-
Yapı Kredi Bankası A.Ş.	-	41.721	-	-
Opet Petrolcülük A.Ş.	135.479	7.170	-	-
Küsel Ltd. Şti.	840	-	-	-
	<u>136.319</u>	<u>104.711</u>	<u>99.105</u>	<u>-</u>

Fixed asset and rent transactions with related parties	1 January - 31 March 2008			
	Rent income	Rent expense	Fixed assets purchases	Fixed asset sales
Koç Sistem Bilgi ve İletişim Hizm. A.Ş.	-	-	212.539	-
Koç-Net Haberleşme Tekno. Hizm. A.Ş.	-	-	68.416	-
Arçelik A.Ş.	-	-	2.217	-
Otokoç Otomotiv Tic. ve San. A.Ş.	-	18.608	76.224	-
Koçtaş Yapı Marketleri Sanayi ve Ticaret A.Ş.	-	-	4.479	-
Demrad Döküm Ürünleri Sınai ve Tic. A.Ş.(*)	-	-	-	531.127
Opet Petrolcülük A.Ş.	88.853	1.632	-	4.000
Zinerji Enerji San. Ve Tic. A.Ş.	390	-	-	-
Temel Ticaret ve Yatırım A.Ş.	-	55.619	-	-
	<u>89.243</u>	<u>75.859</u>	<u>363.875</u>	<u>535.127</u>

AYGAZ A.Ş. AND ITS SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2009

(Amounts are expressed as Turkish Lira (“TL”) unless otherwise stated)

20. TRANSACTIONS WITH RELATED PARTIES (cont'd)

Financial and other transactions with related parties	1 January - 31 March 2009			
	Finance income	Finance expense	Other income	Other expense
Koç Holding A.Ş.	-	40.571.419	-	-
Yapı Kredi Bankası A.Ş.	21.626.873	4.159.449	-	-
Arçelik A.Ş.	1.588	-	-	-
Türkiye Petrol Rafinerileri A.Ş. (Tüpraş)	1.315	100.319	-	-
Opet Petrolcülük A.Ş. (**)	-	806.048	542.378	11.919.860
Elték Elektrik İthalat İhracat ve Toptan Ticaret A.Ş.	-	-	13.476	-
Ford Otomotiv Sanayi A.Ş.	715	-	-	-
RMK Marine Gemi Yapım San. ve Deniz Taş. İşl. A.	1.025	-	-	-
Marmaris Altınyunus Turistik Tesisleri A.Ş.	244	-	-	-
Setur Servis Turistik A.Ş.	15	-	-	-
Tat Konserve Sanayi A.Ş.	38	-	-	-
Tofaş Türk Otomobil Fabrikası A.Ş.	47	-	-	-
Türk Traktör ve Ziraat Makinaları A.Ş.	159	-	-	-
	<u>21.632.019</u>	<u>45.637.235</u>	<u>555.854</u>	<u>11.919.860</u>

Financial and other transactions with related parties	1 January - 31 March 2008			
	Finance income	Finance expense	Other income	Other expense
Yapı Kredi Bankası A.Ş.	2.309.882	66.288	-	-
Yapı Kredi Bankası A.Ş. (Bahreyn)	10.896	-	-	-
Yapı Kredi Bankası Portföy	97.896	2.199	-	-
Koç Holding A.Ş.	-	33.473.667	-	-
Opet Aygaz Bulgaria E.A.D. (*)	49.425	-	-	-
Opet Petrolcülük A.Ş. (**)	-	-	527.875	12.877.757
Koçtaş Yapı Marketleri Sanayi ve Ticaret A.Ş.	-	-	-	12.668
Other	-	-	-	5.822
	<u>2.468.098</u>	<u>33.542.154</u>	<u>527.875</u>	<u>12.896.247</u>

(*) This company is sold in 2008 and is longer a related party.

(**) This is formed by discount in autogas stations that belongs to Opet

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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2009

(Amounts are expressed as Turkish Lira (“TL”) unless otherwise stated)

20. TRANSACTIONS WITH RELATED PARTIES (cont’d)

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Loans from related parties	31 March 2009				
	Original Currency	Maturity	Interest Rate %	Current liabilities	Non-current liabilities
Consortium loan	US Dollars	16 Jan 2010	Libor +2,50	136.034.579	-
Consortium loan	Euro	16 Jan 2012	Euribor +4,50	1.763.796	117.967.400
Opet Aygaz BV	Euro	16 Feb 2010	Euribor +4,00	3.338.700	-
				<u>141.137.075</u>	<u>117.967.400</u>

Loans from related parties	31 December 2008				
	Original Currency	Maturity	Interest Rate %	Current liabilities	Non-current liabilities
Syndicated Loan	US Dollars	26 Jan 2009	Libor +1	377.894.568	-
				<u>377.894.568</u>	<u>-</u>

Benefits to Key Management:

The group has determined senior manager squad as board 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 31 March 2009 is 825.527 TL.
(31 March 2008: 861.260 TL)

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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2009

(Amounts are expressed as Turkish Lira (“TL”) unless otherwise stated)

21. NATURE AND LEVEL OF RISK DERIVED FROM FINANCIAL INSTRUMENTS

a) 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 programme 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.

a.1) Credit risk management(cont’d)

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss of the Group. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group continuously monitors its credit risk exposure and its customers credibility. Credit risk is controlled through the customer limits which the risk management board annually evaluates and approves.

Trade receivables consist of many customers that operate in various industries and locations. Credit risk of the receivables from counterparties are evaluated perpetually.

a.2) Liquidity risk management

Liquidity risk management responsibility mainly belongs to the board of directors. The board of directors has built an appropriate liquidity risk management framework for the management of the Group’s short, medium and long term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows and matching the maturity profile of financial assets and liabilities.

The following table presents the maturity of Group’s non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of non-derivative financial liabilities based on the earliest date on which the Group can be required to pay. Derivative financial liabilities are presented according to undiscounted net cash inflow and cash outflow. The table has been drawn up based on the undiscounted net cash inflows/(outflows) on the derivative instrument that settle on a net basis and the undiscounted gross inflows and (outflows) on those derivatives that require gross settlement. When the amount payable or receivable is not fixed, the amount disclosed has been determined by reference to the projected interest rates as illustrated by the yield curves existing at the reporting date.

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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2009

(Amounts are expressed as Turkish Lira ("TL") unless otherwise stated)

21. NATURE AND THE LEVEL OF RISK DERIVED FROM FINANCIAL INSTRUMENTS (cont'd)

a) Financial risk factors(cont'd)

a.2) Liquidity risk management(cont'd)

<u>31 March 2009</u>	<u>Carrying Value</u>	<u>Total Cash Outflow</u>	<u>Less than</u>	<u>3-12</u>	<u>1-5</u>
<u>Contractual Maturity</u>		<u>according to contract</u>	<u>3 months (I)</u>	<u>months (II)</u>	<u>year (III)</u>
		<u>(I+II+III+IV)</u>			
Non-derivative					
Financial Liabilities					
Bank borrowings	455.148.098	487.446.683	129.945.810	150.420.345	207.080.528
Trade payables	121.778.862	121.778.862	121.778.862	-	-
Due to related parties	40.349.439	40.349.439	35.930.385	4.419.054	-
Total Liabilities	617.276.399	649.574.984	287.655.057	154.839.399	207.080.528

<u>31 December 2008</u>	<u>Carrying Value</u>	<u>Total Cash Outflow</u>	<u>Less than</u>	<u>3-12</u>	<u>1-5</u>
<u>Contractual Maturity</u>		<u>according to contract</u>	<u>3 months (I)</u>	<u>months (II)</u>	<u>year (III)</u>
		<u>(I+II+III+IV)</u>			
Non-derivative					
Financial Liabilities					
Bank borrowings	447.761.757	452.846.095	378.001.533	14.623.310	60.221.252
Trade payables	270.904.875	270.904.875	270.904.875	-	-
Due to related parties	43.425.448	43.425.448	43.171.200	254.248	-
Total Liabilities	762.092.080	767.176.418	692.077.608	14.877.558	60.221.252

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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2009

(Amounts are expressed as Turkish Lira (“TL”) unless otherwise stated)

21. NATURE AND THE LEVEL OF RISK DERIVED FROM FINANCIAL INSTRUMENTS (cont’d)

a) Financial risk factors(cont’d)

a.3) Market Risk Management

The Group’s activities expose it to a variety of financial risks including foreign currency risk and interest rate risk as explained below. The Group uses the derivative financial instrument below to hedge certain risk exposures in order to manage foreign currency and interest rate risks.

1. Foreign exchange forward purchase agreements to manage exposure to liabilities denominated in foreign currencies.

At the Group level market risk exposures are measured by sensitivity analysis and stress scenarios.

There has been no change in the Group’s exposure to market risks or the manner which it manages and measures the risk.

a.3.1) Foreign Currency Risk Management

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 are as follows:

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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2009

(Amounts are expressed as Turkish Lira (“TL”) unless otherwise stated)

21. NATURE AND THE LEVEL OF RISK DERIVED FROM FINANCIAL INSTRUMENTS (cont'd)

a) Financial risk factors (cont'd)

a.3.1) Foreign Currency Risk Management (cont'd)

31 March 2009	TOTAL TL EQUIVALENT	USD TL EQUIVALENT	EUR TL EQUIVALENT	GBP TL EQUIVALENT
1. Trade Receivables	30.743.827	24.992.167	5.751.660	-
2. a. Monetary Financial Assets	201.811.558	199.491.396	2.247.426	72.736
2.b Non-monetary Financial Assets	-	-	-	-
3. Other	-	-	-	-
4. Current Assets	232.555.385	224.483.563	7.999.086	72.736
5. Trade Receivables	-	-	-	-
6.a Monetary Financial Assets	-	-	-	-
6.b Non-monetary Financial Assets	-	-	-	-
7. Other	-	-	-	-
8 Non-current assets	-	-	-	-
9. TOTAL ASSETS	232.555.385	224.483.563	7.999.086	72.736
10. Trade Receivables	(70.481.968)	(69.428.605)	(1.053.363)	-
11. Financial Liabilities	(156.516.475)	(151.413.979)	(5.102.496)	-
12.a Other Monetary Financial Liabilities	-	-	-	-
12.b Other Non-monetary Financial Liabilities	-	-	-	-
13. CURRENT LIABILITIES	(226.998.443)	(220.842.584)	(6.155.859)	-
14. Trade Payables	-	-	-	-
15. Financial Liabilities	(180.107.744)	(62.140.344)	(117.967.400)	-
16.a . Other Monetary Financial Liabilities	-	-	-	-
16.b Other Non-monetary Financial Liabilities	-	-	-	-
17. NON CURRENT LIABILITIES	(180.107.744)	(62.140.344)	(117.967.400)	-
18. TOTAL LIABILITIES	(407.106.187)	(282.982.928)	(124.123.259)	-
19. Net asset / liability position of	-	-	-	-
Off-balance sheet derivatives (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	(174.550.802)	(58.499.365)	(116.124.173)	72.736
21 Net foreign currency asset / liability position of monetary items (1+2a+6a-10-11-12a-14-15-16a)	(174.550.802)	(58.499.365)	(116.124.173)	72.736
22 Fair value of foreign currency hedged financial assets	-	-	-	-
23 Hedged foreign currency assets	-	-	-	-
24. Export	50.953.693	48.396.495	2.557.198	-

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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2009

(Amounts are expressed as Turkish Lira (“TL”) unless otherwise stated)

21. NATURE AND THE LEVEL OF RISK DERIVED FROM FINANCIAL INSTRUMENTS (cont’d)

a) Financial risk factors(cont’d)

a.3.1) Foreign Currency Risk Management(cont’d)

31 December 2008	TOTAL TL EQUIVALENT	USD TL EQUIVALENT	EUR TL EQUIVALENT	GBP TL EQUIVALENT
1. Trade Receivables	21.372.937	12.199.293	9.173.644	-
2. a. Monetary Financial Assets	315.533.840	312.793.212	2.661.319	79.309
2.b Non-monetary Financial Assets	-	-	-	-
3. Other	252.067	62.703	189.364	-
4. Current Assets	337.158.844	325.055.208	12.024.327	79.309
5. Trade Receivables	-	-	-	-
6.a Monetary Financial Assets	-	-	-	-
6.b Non-monetary Financial Assets	-	-	-	-
7. Other	-	-	-	-
8 NON-CURRENT ASSETS	-	-	-	-
9. TOTAL ASSETS	337.158.844	325.055.208	12.024.327	79.309
10. Trade Receivables	(211.153.742)	(207.661.744)	(3.486.736)	(5.262)
11. Financial Liabilities	(391.982.492)	(377.894.568)	(14.087.924)	-
12.a Other Monetary Financial Liabilities	-	-	-	-
12.b Other Non-monetary Financial Liabilities	-	-	-	-
13. CURRENT LIABILITIES	(603.136.234)	(585.556.312)	(17.574.660)	(5.262)
14. Trade Payables	-	-	-	-
15. Financial Liabilities	(55.672.300)	-	(55.672.300)	-
16.a. Other Monetary Financial Liabilities	-	-	-	-
16.b Other Non-monetary Financial Liabilities	-	-	-	-
17. NON CURRENT LIABILITIES	(55.672.300)	-	(55.672.300)	-
18. TOTAL LIABILITIES	(658.808.534)	(585.556.312)	(73.246.960)	(5.262)
19. Net asset / liability position of				
Off-balance sheet derivatives (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	(321.649.690)	(260.501.104)	(61.222.633)	74.047
21 Net foreign currency asset / liability position of monetary items (1+2a+6a-10-11-12a-14-15-16a)	(321.901.757)	(260.563.807)	(61.411.997)	74.047
22 Fair value of foreign currency hedged financial assets	-	-	-	-
23 Hedged foreign currency assets	-	-	-	-
24. Export	172.860.564	151.666.513	21.141.983	52.068