



January 01, 2011 – September 30, 2011

OPERATING REVIEW REPORT

GÜBRE FABRİKALARI TÜRK A. Ş.

ESENTEPE, KASAP SOKAK, NO:22, ŞİŞLİ/İSTANBUL

T: (+90 212) 376 50 27

F: (+90 212) 272 56 78

E: byi@gubretas.com.tr

ACTIVITY REPORT OF THE BOARD OF DIRECTORS

PURSUANT TO THE COMMUNIQUE SERIES: XI NUMBER 29

I) INTRODUCTION

A. REPORTING PERIOD

01.01.2011 - 30.09.2011

B. CORPORATE'S NAME

Gübre Fabrikaları Türk Anonim Şirketi

C. BOARD OF DIRECTORS

Members of the Board of Directors in Period:

Chairman	: Abdullah KUTLU	(from 19.04.2011)
Vice Chairman	: Necdet DİRİK	(from 25.10.2005)
Member	: Hamdi GÖNÜLLÜ	(from 31.03.2005)
Member	: Dr. Erol DEMİR	(from 10.04.2009)
Member	: Yusuf YEŞİL	(from 30.03.2007)
Member	: Mehmet Tahir TOPALAKÇI	(from 13.06.2011)
Member	: Mehmet KOCA	(from 31.03.2006)

D. BOARD OF AUDITORS

Namık Kemal BAYAR	(from 10.04.2009)
Bülent İŞKÜR	(from 13.06.2011)

The members of the Board of Directors and Auditors are entitled to use the powers provided in the articles of the association and the Turkish Commercial Code.

E. CAPITAL STRUCTURE

As of 30.09.2011, registered capital of the company is 200.000.000 TL and issued capital is 83.500.000 TL.

Partnership structure of the company is shown in Table 1:

TABLE 1		
Capital Structure		
Shareholders	Amount of Share	Share
Central Union of Turkish Agricultural Credit Cooperatives	63.421.152	75,95%
Others	20.078.848	24,05%
Total	83.500.000	100,00%

F. INFORMATION ABOUT OUR FACILITIES

Our Company reached a total real estate area of 340.634 sqm, of which 139.761 sqm closed including warehouses, business buildings and lands, which can be improved. All regional distribution of buildings and lands are listed below:

TABLE 2		
Real Estates		
Closed Area (sqm)		139.761
Management:		4.067
Head Office		1.592
Yarımca Facilities - Office		2.145
Ankara Office		120
Samsun Office		210
Production Facilities		77.559
Yarımca Facilities	Kocaeli	41.754
İzmir Facilities	İzmir	1.750
İskenderun Facilities	İskenderun	34.055
Warehouses		58.135
Yarımca Warehouse	Kocaeli	9.813
Samsun Warehouse	Samsun	6.324
Köseköy Warehouse	Kocaeli	6.664
Helvacı Warehouse	İzmir	14.720
Akçay Warehouse	İskenderun	10.923
Tekirdağ Warehouse	Tekirdağ	7.189
İzmir Foça Warehouse	İzmir	2.502

Yarımca Facilities has 685.000 tons/year fertilizer production capacity and İzmir Facilities has 25.000 tons/year liquid and powder fertilizer production capacity.

TABLE 3	
Fertilizer Production Capacity (Ton)	
FACILITIES	Capacity
YARIMCA	
TSP	185.000
Compound Fertilizer NPK.1	200.000
Compound Fertilizer NPK.2	300.000
TOTAL	685.000
İZMİR	
Liquid & Powder Fertilizer	25.000
GRAND TOTAL	710.000

The total capacity of our warehouses is 394.000 tons.

TABLE 4	
Warehouse Capacity	
Region Warehouses	Capacity (Ton)
Yarımca	140.000
İskenderun	119.000
İzmir	62.000
Samsun	30.000
Tekirdağ	40.000
İzmir Liquid	3.000
TOTAL	394.000

G. SUBSIDIARIES

Razi Petrochemical Co.:

Razi Petrochemical Co., founded in 1968, is one of the leading companies in Iran which produces fertilizers and fertilizer raw materials. Razi Petrochemical Co. has 3.770.500 tons/year production capacity of both fertilizers and fertilizer raw materials and exports much of its products.

Gübretaş with 48,88% stake in Razi Petrochemical Co. started to disclose its financial reports on the consolidated base since June 2008.

Negmar Denizcilik Yatırım A.Ş.:

Established in 2008, Negmar Denizcilik Yatırım A.Ş, operates in shipping industry. The company continues its operations with its 5 vessels.

Tarkim Bitki Koruma Sanayi ve Ticaret A.Ş.:

Tarkim Bitki Koruma Sanayi ve Ticaret A.Ş., established in 2009 and it is operating in the field of plant protection products. Tarkim has a production capacity of 25.000 ton/year.

İmece Prefabrik Yapı Tarım Makineleri Temizlik ve Güvenlik Hizmetleri San.Tic A.Ş.:

İmece Prefabrik Yapı Tarım Makineleri Temizlik ve Güvenlik Hizmetleri San.Tic.A.Ş., established in 1974, and since then it is operating in the reinforced concrete and steel structure construction including construction services and mould production business.

Tarnet Tarım Kredi Bilişim ve İletişim Hizmetleri A.Ş.:

Tarnet Tarım Kredi Bilişim ve İletişim Hizmetleri A.Ş., established in 1996, operates in Information Technology industry.

Our share proportion and paid-in capital of subsidiary is listed in Table 5.

TABLE 5		
Subsidiary		
Company Name	Stock Proportion (%)	Paid-In Capital (TL)
Razi Petrochemical Co.	48,88	424.807.554

Our share proportion and paid-in capital of affiliates are listed in Table 6..

TABLE 6		
Affiliates		
Company Name	Stock Proportion (%)	Paid-In Capital (TL)
Negmar Denizcilik Yatırım A.Ş.	40,00	12.000.000
Tarkim Bitki Koruma San. ve Tic. A.Ş.	40,00	6.400.000
Tarnet Tar. Kre.Bil .Hiz.San Tic .A.Ş.	17,00	523.628
İmece Pref Yapı Tar.Mak.Tem.Güv. Hiz.San.Tic.A.Ş.	15,44	2.013.888

H. INVESTMENT PROPERTY

Our company rented its Iskenderun facility to Denizciler Birliği Deniz Nakliyatı ve Ticaret A.Ş. for a period of 30 years in 2007 for more efficient operation and with a fixed rental rate along with share of income. Fertilizer handling job in the region is outsourced to the company.

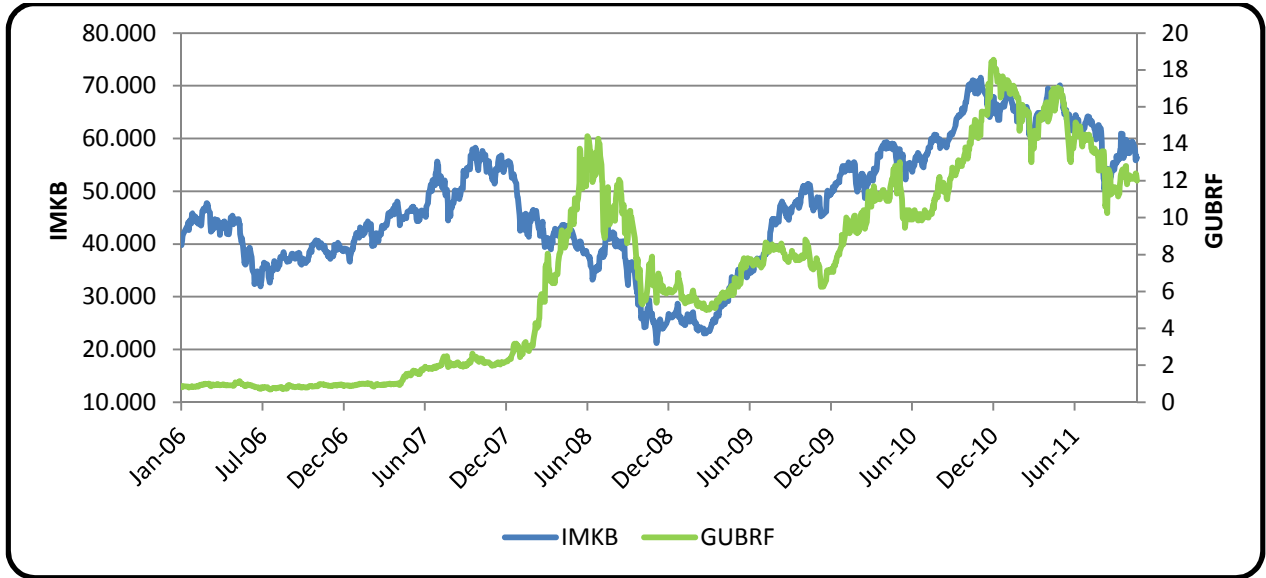
I. DISTRIBUTION OF DIVIDENDS:

Dividend rates that have been distributed in the last five years are shown below:

TABLE 7				
Dividend Rates Per Share (%)				
2010	2009	2008	2007	2006
-	-	-	30,07	22,65

J. HİSSE SENEDİ PERFORMANSIMIZ

GRAPH 1 – Performance of the stock

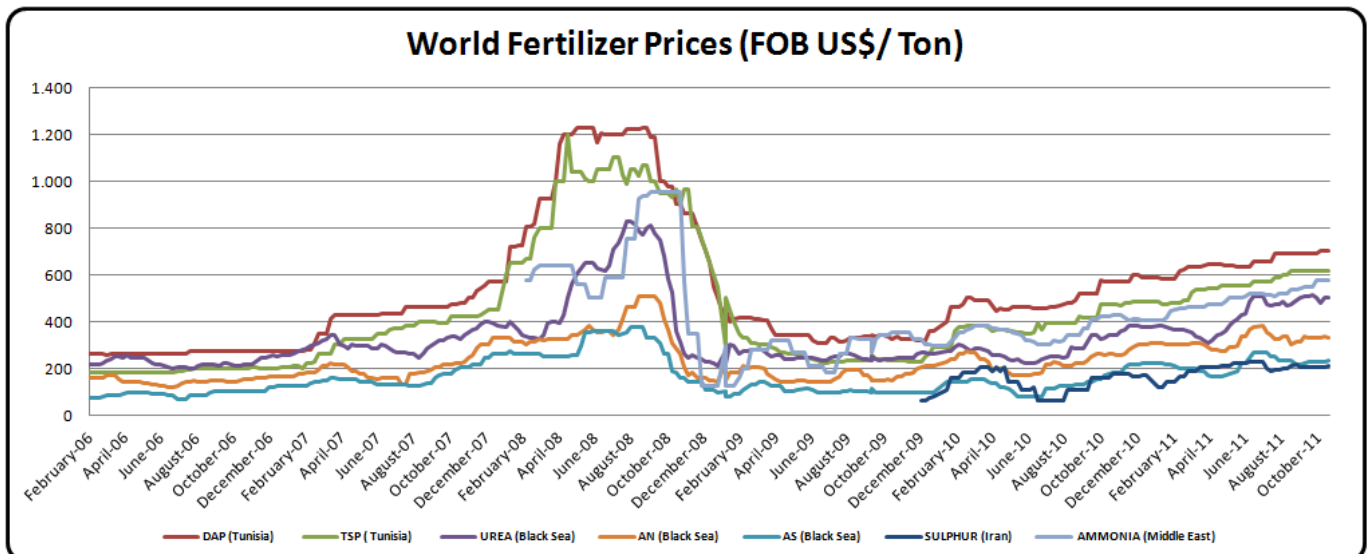


K. TURKISH FERTILIZER INDUSTRY AND POSITION OF GÜBRETAS

Turkey does not have the raw material resources used in production of chemical fertilizers. 95 % of main inputs like natural gas, phosphate rock, potassium salts are procured from foreign markets. Due to the dependence on foreign markets, international market conditions and exchange rates have impact on the sector.

Fertilizer Prices in the International Markets

GRAPH 2 – Fertilizer Prices in the International Markets

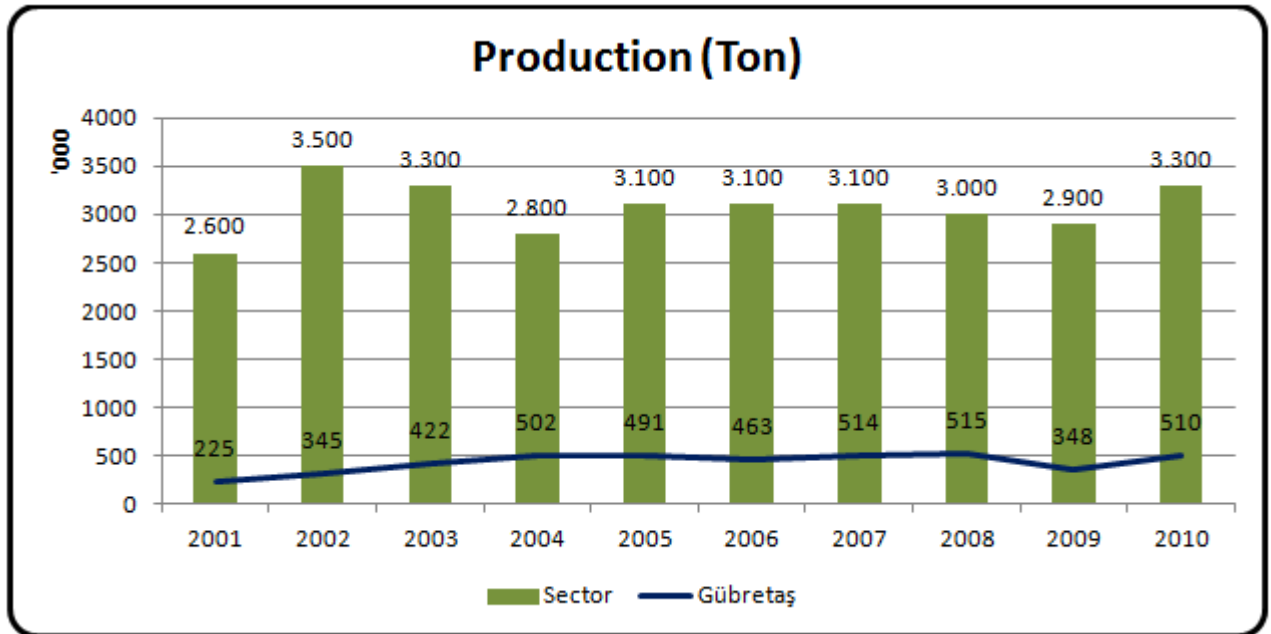


Production:

Turkey produces intermediate goods and compound fertilizers, however inputs for these are imported since Turkey lacks the needed natural resources.

Total capacity of Turkish Fertilizer Industry shown below Table 8:

Production Capacity of Turkish Fertilizer Industry (Ton)					
Years	2010	2009	2008	2007	2006
Capacity	5.474.000	5.474.000	5.553.200	5.556.200	5.850.000

GRAPH 3 – Fertilizer Production and Gübretas's Share in Production


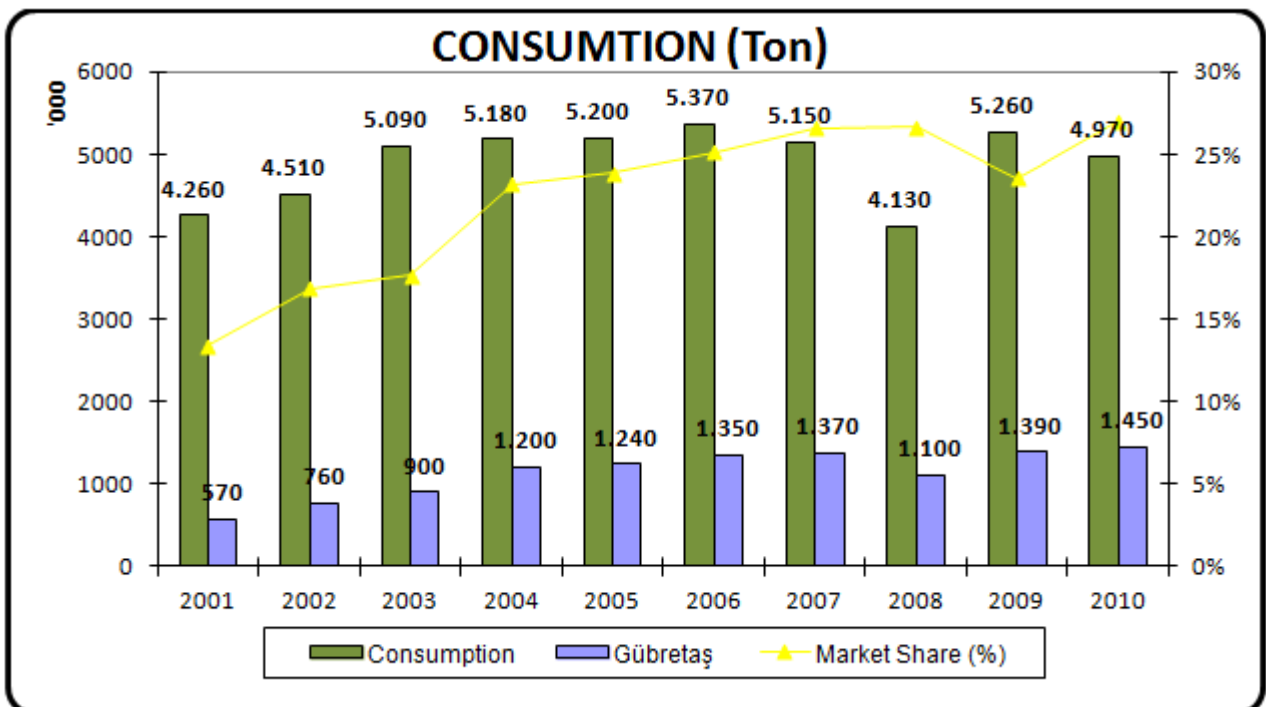
Sector Production By Product as of September (Ton)			
Product	2011	2010	Change (%)
AS	140.004	153.115	(8,56)
CAN	763.623	591.789	29,04
AN	194.195	277.930	(30,13)
UREA	397.778	-	
TSP	77.700	94.606	(17,87)
DAP	259.950	381.975	(31,95)
P.SULPHATE	137	893	(84,66)
COMPOUND	1.054.037	943.087	11,76
TOTAL	2.887.424	2.443.395	18,17

Amount of production of first nine months of 2011 was 2.887.424 tons and 36,50% of production was compound fertilizers.

Sales:

According to the data from first nine months of 2011, fertilizer consumption was 3.797.458 tons while in the same period of previous year it was 3.728.701 tons, recording a 1,84% increase. Moreover, our sales increased by 13,23% and market share was 28,53%.

Within the first nine months of 2011, export was 410.688 tons, increased by 37,35% and import was 1.441.174 mt, decreased by 10,88%.

GRAPH 4 – Fertilizer Consumption in Turkey and Gübretas’s Share in Sales


Sector Consumption By Product as of September (Ton)			
Product	2011	2010	Change (%)
AS	367.573	377.831	(2,71)
CAN	637.760	594.948	7,20
AN	713.169	650.177	9,69
UREA	644.054	703.801	(8,49)
TSP	18.469	13.619	35,62
NSP	5.010	2.503	100,16
DAP	276.282	332.246	(16,84)
P.SULPHATE	15.344	14.548	5,47
P.NITRATE	25.957	23.495	10,48
COMPOUND	1.093.841	1.015.533	7,71
TOTAL	3.797.458	3.728.701	1,84

II. 2011 ACTIVITIES

A. INVESTMENTS

INVESTMENTS IN 2011

INVESTMENT	AMOUNT (TL)
YARIMCA FACILITIES' LANDSCAPE EXPANDING	2.277.000
TRAIN UNDERPASS ROAD EXPANDING	1.933.123
WAREHOUSES & LANDSCAPING	986.735
CONVEYOR BAND	274.257
OTHER	119.543
TOTAL	5.590.658

B. ACTIVITIES OF THE GÜBRE FABRİKALARI IN 2011

GÜBRE FABRİKALARI TÜRK A.Ş.:

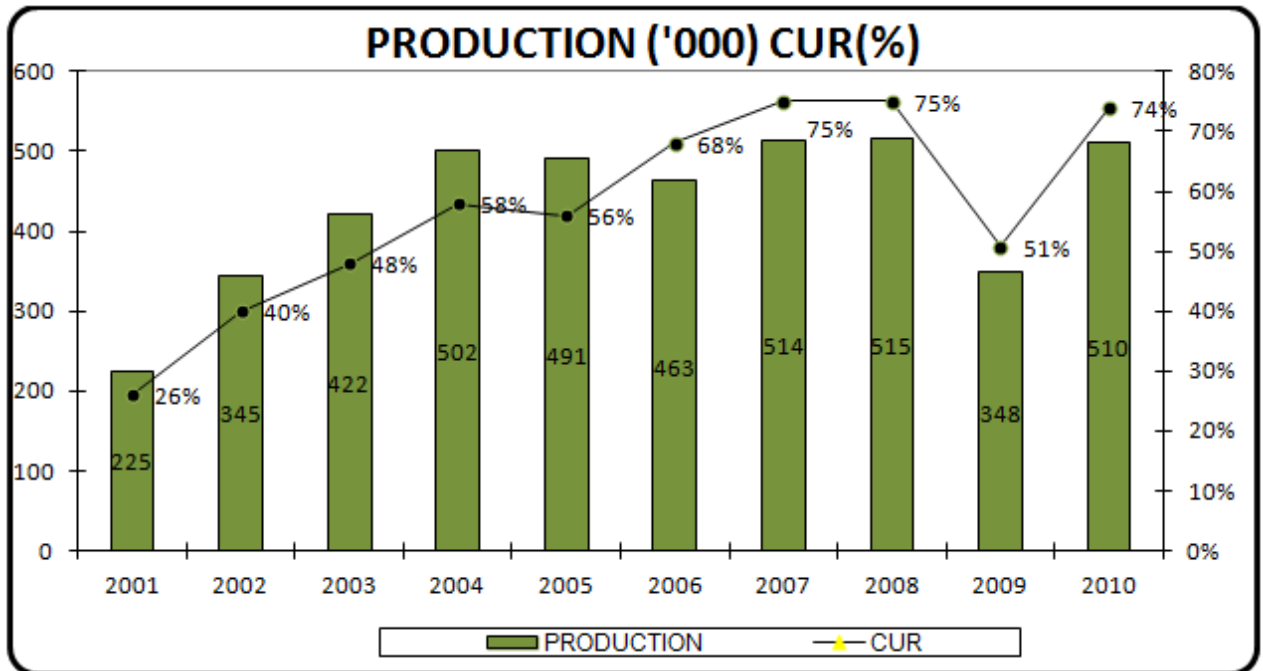
Gübre Fabrikaları T.A.Ş. is the first and pioneer chemical fertilizer factory established in Turkey. An important portion of the sales of the company, which has a 28,53 % market share, is realized through Agricultural Credit Cooperatives. There are seven regional sales directorates in Turkey. Gübretaş sells to every corner where there is agricultural production via 2.678 dealers, 1.735 of which belongs to Agricultural Credit Cooperatives and 943 to Gübretaş itself.

1-) Production

In the first nine months of 2011, Gübretaş produced 77.700 ton TSP and 302.542 ton Compound fertilizers totaling 380.242 tons. In first nine months of 2011 capacity utilization rate was 74%, 328.800 ton fertilizer sold and 61.900 ton were used as raw material. 608.115 lt of liquid fertilizer and 1.567.218 kg powder fertilizer were produced. In the same period of 2010, 378.239 tons solid fertilizer, 392.013 lt liquid fertilizer and 806.824 kg powder fertilizer were produced.

Product	2011	2010	Change (%)
10.25.5.CSO	8.263	9.027	-8,5%
10.25.20	3.589	1.530	134,6%
12.30.12	33.960		
13.24.12	22.172	10.457	112,0%
13.25.5	25.298	3.946	
15.15.15	15.682	14.592	7,5%
15.15.15.ZN	32.421	22.913	41,5%
15.20.10	1.901	825	130,4%
20.20.0	41.282	119.904	-65,6%
20.20.0.ZN	91.676	80.993	13,2%
TSP	77.700	94.600	-17,9%
23.12.9	4.019		
25.5.10	22.279	19.452	14,5%
GRAND TOTAL	380.242	378.239	0,5%
Liquid Fertilizer (lt)	608.115	392.013	55,1%
Powder Fertilizer (kg)	1.567.218	806.824	94,2%

GRAPH 5 – Production and Capacity Utilization Rates in Years (%)



2-) Sales and Purchases

Within the first nine months of 2011, the company sold 1.084.983 tons of solid, 823.199 lt of liquid and 8.498.466 kg of powder fertilizers. In the same period of 2010; 958.246 tons solid, 613.880 lt liquid and 6.131.234 kg powder fertilizer were sold.

Comparative Sales figures by products for 2010 - 2011 is given in Table 12

TABLE 12			
Sales by Product Groups (Ton)			
Solid Fertilizer	2011	2010	Change %
TSP	15.284	35.627	(57,1)
15.15.15	60.153	51.425	17,0
15.15.15 Zn	30.506	22.879	33,3
20.20.0	130.511	145.191	(10,1)
20.20.0 Zn	91.156	74.431	22,5
25.5.10	22.307	19.422	14,9
13.24.12	21.077	10.458	101,5
10.25.20	3.646	597	
12.30.12	33.949		
15.20.10	1.901	1.667	14,0
23.12.9	3.910		
13.25.5	25.152	2.690	
10.25.5	8.290	10.096	100,0
Compound Fertilizer	432.558	338.856	27,7
UREA	130.258	100.707	29,3
AS	66.924	63.094	6,1
CAN	132.457	119.222	11,1
AN	155.063	157.091	(1,3)
DAP	110.723	116.990	(5,4)
PS	5.329	2.133	149,8
MAP	279	188	48,4
Other	36.108	24.338	48,4
Total	637.141	583.763	9,1
GRAND TOTAL	1.084.983	958.246	13,2
Liquid Fertilizer (lt)	823.199	613.880	34,1
Powder Fertilizer (kg)	8.498.466	6.131.234	38,6

TABLE 13			
Sales, Import and Domestic Purchases (Ton)			
	2011	2010	Change %
Sales	1.084.983	958.263	13,22
Domestic Purchases	269.007	259.122	3,81
Import	695.751	793.323	(12,30)

The volume of purchases reached 1.052.445 tons in the first nine months of 2010 and decreased by 8,33% to reach 964.758 tons in the same period of 2011. In 2010 24.619 tons and in 2011 1.284 tons exported.

TABLE 14			
Sales (Ton)			
Sales Group	2011	2010	Change %
Vendor Sales	225.596	236.949	(4,79)
Corporate Sales	795.186	679.964	16,95
Export	1.284	24.619	(94,78)
Other	62.917	16.731	276,05
TOTAL	1.084.983	958.263	13,22

ACTIVITIES OF PETROCHEMICAL CO.

Production and Sales:

Razi Petrochemical Co. is the biggest fertilizer and fertilizer raw materials production facility with a real estate portfolio of 877.000 sqm. Total established capacity of Razi Petrochemical that was acquired in February 2008 reaches 3.770.500 tons/year.

TABLE 15					
Kapasite, Üretim (Ton) ve KKO (%)					
Product	Capacity	2011	2010	Change %	CUR (%)
Amonnia	1.336.500	735.831	751.928	(2,1%)	73%
Urea	594.000	336.438	251.791	33,62%	76%
Sulphur	508.000	292.280	313.408	(6,7%)	77%
Sulp.Acid	627.000	101.244	108.508	(6,7%)	22%
DAP	450.000	21.395	18.777	13,94%	6%
Phos. Acid	255.000	0	0		0
Total	3.770.500	1.487.188	1.444.412	3%	53%

Razi produced 1.487.188 tons of goods and capacity utilization rate was %52,59 in first nine months of 2011.

TABLE 16				
Sales (Ton)				
	2011		2010	
	Domestic Sales	Export	Domestic Sales	Export
Amonnia		528.834		559.573
Urea	140.479	154.904	254.439	
Sulphur	227	277.842	1.443	253.126
Sulp.Acid	102.238		83.815	12.995
DAP	19.972		3.656	
Total	262.916	961.580	343.353	825.693
GRAND TOTAL	1.224.496		1.169.047	

In 2011, 1.224.496 tons of fertilizer sold and 699.376.343 TL of revenue achieved.

3-) Research & Development Activities

a) Turkey Soil Productivity Map:

Studies aiming to form Turkish soil fertility map within the framework of Soil Map Project is continued. In this respect, current qualitative and quantitative information is categorized according to locational data, by means of a mapping software and is input as data into subcategorizes under each different location. GPS device is used for position detection and analyses from a total 3.670 locations are completed.

b) Product Development and Quality Studies:

200 agricultural engineers of Turkish Agricultural Credit Cooperatives were trained on: "Quality Control and Test Applications of Chemical Fertilizers".

Our Yarımca Laboratory, shown as a reference laboratory by the Ministry of Agriculture for the inspections carried out in the market, also provides quality control and analysis services to our plant. The laboratory is licenced in accordance with ISO/IEC EN 17025 Laboratory Accreditation by Turkak.

Within the framework of product development, studies on organomineral and organic fertilizer are carried out.

New formulation studies and some modifications on the raw materials are done.

Trial studies with a number of universities and research institutions trial studies are continued.

Izmir Laboratory continues to serve with its recently added analysis features.

D. ADMINISTRATIVE ACTIVITIES
General Manager
Mehmet KOCA

Bachelor

 İstanbul Technical University / Sakarya Engineering Faculty
 Industrial Engineering Department

Deputy General Manager
Ferhat ŞENEL

Bachelor

İstanbul University / School of Business Administration

Deputy General Manager
Tahir OKUTAN

Bachelor

Atatürk University / Faculty of Agriculture

Bachelor

Anadolu University / School of Economics

Post Graduate

Dumlupınar University / Institute of Social Sciences

Deputy General Manager
İsmail BABACAN

Bachelor

Marmara University / Faculty of Theology

Post Graduate

Marmara University / Faculty of Theology

Deputy General Manager
Osman BALTA

Bachelor

 İstanbul Technical University / Sakarya Faculty of Mechanical
 Engineering

TABLE 17
Personnel Status

PERSONNEL	2011			2010			Change %
	Non-Union	Union	Total	Non-Union	Union	Total	
Head Office	86		86	84		84	2,38
Yarımcı Facilities	45	214	259	43	195	238	8,82
Regional Sales Dir.	60		60	63		63	(4,76)
TOTAL	191	214	405	190	195	385	5,19

Training Activities

Training activities are aimed at developing managerial, personal and professional capabilities of the staff. Training activities of 6.834 hours with participation of 194 employees were carried out.

17. Social Responsibility

Sholarships

Gübretaş is granting sholarships to the students of 25 Agricultural Faculties in Turkey, 72 of beneficiaries in total.

Training

Our training activities aimed at supporting agricultural knowledge for more efficient agricultural production and raising profilibility via optimizing costs of inputs such as fertilizers continued. Company's Regional Sales Directorates informed farmers in all aspects of agriculture in seminar meetings organized in cooperation with Turkish Agricultural Credit Cooperatives. Specialist agricultural engineers enlightened farmers in these meetings on choice of fertilizers, also on application methods and soil analysis.

CONCLUSION

DEAR SHAREHOLDERS,

In first nine months of 2011 our facilities has been produced 380.242 tons of various combinations of chemical fertilizers. (61.900 of these have been used as raw materials). 964.758 tons of nitrogenous fertilizer at first which cannot be produced in our facilities and is consumed too much in our country is procured from domestic and foreign markets. 1.084.983 tons of solid, 823.199 lt liquid and 8.498.466 kg powder fertilizer sold in first half of 2011. Net sale revenue was 825.183.761 TRY.

Also 1.487.188 tons of fertilizer have been produced, 699.376.343 TRY sale revenues has been got by sale of 1.224.496 tons of fertilizer and fertilizer raw material in our subsidiary company Razi Petrochemical Co.

Our company reached to 1.521.138.206 TRY consolidated sale revenues. Beside this 1.068.859.740 TRY cost of goods sold, 117.896.502 TRY operation expenses, 117.431.438 TRY net financing expenses have been occurred. By adding other income and expenses (net 5.135.543 TRY) 211.814.981 TRY value before tax has been reached. After adding deferred tax income and deducting other legal liabilities 196.891.738 TRY consolidated profit has been reached. 54.120.182 TRY has been obtained after deducting minority shareholders' shares.

We would kindly like to ask you to evaluate the results mentioned above regarding our first nine months of 2011 activities,

Best Regards,
BOARD OF DIRECTORS

**GÜBRE FABRİKALARI T.A.Ş.
AND ITS SUBSIDIARY COMPANY**

**UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
AND FOOTNOTES OF INTERIM FISCAL PERIOD**

1 JANUARY – 30 SEPTEMBER 2011

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GÜBRE FABRİKALARI T.A.Ş. AND SUBSIDIARY COMPANY
CONSOLIDATED BALANCE SHEET AS OF 30 SEPTEMBER 2011

(Amounts are expressed in Turkish Lira unless otherwise stated)

		Current Period	Previous Period
		Non-Independent Audited	Independent Audited
	Note	30 September 2011	31 December 2010
ASSETS			
Current Assets		1.358.488.076	974.299.118
Cash and Cash Equivalents	4	155.712.102	212.432.811
Trade Receivables		540.899.840	279.200.385
- <i>Trade receivables from related parties</i>	21	166.073.492	42.640.090
- <i>Other trade receivables</i>	7	374.826.348	236.560.295
Other Receivables		145.374.302	88.717.394
- <i>Other receivables from related parties</i>	21	58.518.905	76.869.564
- <i>Other receivables</i>	8	86.855.397	11.847.830
Inventories	9	477.138.136	347.816.042
Other Current Assets		39.363.696	46.132.486
Long-term (Fixed) Assets		1.319.285.377	1.202.055.279
Other receivables	8	19.766.981	12.850.458
Financial Investments	5	2.737.515	2.525.016
Investments Accounted with Equity Method	10	11.241.003	5.485.518
Investment Properties	11	61.749.595	60.169.595
Tangible Non-Current Assets	12	895.245.907	837.029.929
Intangible Non-Current Assets	13	162.958	190.242
Goodwill	14	283.814.789	246.672.361
Deferred Tax Assets		4.370.995	13.113.155
Other Non-Current Assets		40.195.634	24.019.005
TOTAL ASSETS		2.677.773.453	2.176.354.397

Added remarks are component parts of the financial statements

GÜBRE FABRİKALARI T.A.Ş. AND SUBSIDIARY COMPANY
CONSOLIDATED BALANCE SHEET AS OF 30 SEPTEMBER 2011

(Amounts are expressed in Turkish Lira unless otherwise stated)

		Current Period	Previous Period
		Non-Independent Audited	Independent Audited
	Note	30 September 2011	31 December 2010
LIABILITIES			
Short-term Liabilities		1.301.456.934	1.045.000.658
Financial Liabilities	6	345.382.187	240.749.114
Trade Payables		712.537.495	568.439.200
- Payables to related parties	21	6.612.823	4.038
- Other trade payables	7	705.924.672	568.435.162
Other Payables	8	115.038.771	139.551.012
Provisions for Extended Benefits to Employee		12.534.956	12.696.511
Provisions for Payables	15	56.559.548	46.647.865
Corporate Tax Payable		14.632.180	8.965.530
Other Short-term Liabilities		44.771.797	27.951.426
Long-term Liabilities		344.349.802	314.058.037
Financial Liabilities	6	126.520.045	112.663.941
Other Payables	8	97.272.003	107.910.836
Provisions for Extended Benefits to Employee		117.674.916	92.939.893
Provisions for Payables		-	397.637
Deferred Tax Liabilities		2.882.838	145.730
EQUITY CAPITAL		1.031.966.717	817.295.702
Equities of Parent Company		592.482.728	452.513.120
Paid-in Capital		83.500.000	83.500.000
Revaluations Funds		145.133.540	136.760.862
Foreign Currency Translation Differences		142.911.024	65.434.276
Restricted Reserves Appropriated from Profits		6.975.540	6.526.448
Legal Reserves		5.645.297	5.645.297
Gains From Fixed Assets Accumulated Profit / Loss		1.330.243	881.151
Previous Years Profit / (Loss)		159.842.442	40.392.144
Net Period Profit / (Loss)		54.120.182	119.899.390
Minority Shares		439.483.989	364.782.582
TOTAL LIABILITIES		2.677.773.453	2.176.354.397

Added remarks are component parts of the financial statements.

GÜBRE FABRİKALARI T.A.Ş. AND SUBSIDIARY COMPANY

COMPREHENSIVE CONSOLIDATED INCOME STATEMENT FOR 9-MONTH INTERIM PERIOD THAT ENDED AS OF 30 SEPTEMBER 2011

(Amounts are expressed in Turkish Lira unless otherwise stated)

	Note	Current Period (Non-Independent Audited) 1 Jan – 30 Sept. 2011	Current Period (Non-Independent Audited) 1 July – 30 Sept. 2011	Previous Period (Non-Independent Audited) 1 Jan – 30 Sept. 2010	Previous Period (Non-Independent Audited) 1 July– 30 Sept. 2010
Sales Revenue (net)	17	1.521.138.206	566.061.645	966.366.410	321.785.685
Costs of Sales (-)	17	(1.068.859.740)	(375.986.478)	(627.390.045)	(225.118.006)
GROSS PROFIT		452.278.465	190.075.167	338.976.365	96.667.679
Marketing, Sales and Distribution Expenses (-)		(80.773.684)	(33.088.895)	(40.346.982)	(14.920.075)
Administrative Expenses (-)		(37.122.818)	(13.553.426)	(34.157.334)	(12.138.924)
Other Operating Incomes		43.895.946	29.620.667	32.992.767	5.137.560
Other Operating Expenses (-)		(17.125.860)	(7.927.971)	(15.614.884)	(9.888.941)
OPERATING PROFIT		361.152.048	165.125.542	281.849.932	64.857.799
Shares in Profit/Loss of Investments Accounted by Equity Method	10	(4.444.515)	(2.938.268)	728.962	(263.684)
Financial Incomes	18	65.044.262	33.480.963	68.798.729	27.674.359
Financial Expenses (-)	19	(209.936.813)	(114.210.670)	(77.161.159)	(18.088.412)
PROFIT / LOSS BEFORE TAX FROM CONTINUING OPERATIONS		211.814.981	81.457.567	274.216.465	74.180.062
Tax Expenses from Continuing Operations		(14.923.243)	10.429.105	(42.811.908)	(8.124.549)
- Current Tax Expense (-)		(4.196.312)	2.593.777	(11.599.433)	(1.039.999)
- Deferred Tax Income		(10.726.931)	7.835.328	(31.212.475)	(7.084.550)
PERIOD PROFIT/ (LOSS)		196.891.738	91.886.673	231.404.557	66.055.513
PERIOD PROFIT/ (LOSS)		196.891.738	91.886.673	231.404.557	66.055.513
Distribution of Period Profit / (Loss)					
Minority Interests		142.771.556	64.891.242	109.424.158	19.067.204
Parent Company's Interests		54.120.182	26.995.431	121.980.399	46.988.309
Earnings / (Loss) Per Share	20	0,64815	0,32329	1,4608	0,5627

Added remarks are component parts of the financial statements

GÜBRE FABRİKALARI T.A.Ş. AND SUBSIDIARY COMPANY**COMPREHENSIVE CONSOLIDATED INCOME STATEMENT FOR 9-MONTH INTERIM PERIOD THAT ENDED AS OF 30 SEPTEMBER 2011**

(Amounts are expressed in Turkish Lira unless otherwise stated)

	Current Period (Non-Independent Audited) 1 Jan – 30 Sept. 2011	Current Period (Non-Independent Audited) 1 July – 30 Sept. 2011	Previous Period (Non-Independent Audited) 1 Jan – 30 Sept. 2010	Previous Period (Non-Independent Audited) 1 July– 30 Sept. 2010
PERIOD PROFIT / (LOSS)	196.891.738	91.886.673	231.404.557	66.055.513
- Change in Fixed Assets Value Appreciation	8.813.346	-	49.973.298	-
- Change in Foreign Currency Translation Differences	143.680.458	117.436.008	(35.386.437)	(81.504.732)
- Tax Incomes and Fiscal Charges Related to Other Comprehensive Income Items	(440.667)	-	(2.516.325)	-
OTHER COMPREHENSIVE AFTER-TAX INCOME / (EXPENSE)			12.070.536	(81.504.732)
TOTAL COMPREHENSIVE INCOME / (EXPENSE)	348.944.875	209.322.681	243.475.092	(15.449.219)
Distribution of Total Comprehensive Income / (Expense):				
Minority Shares	208.975.267	124.922.089	109.424.158	19.067.204
Parent Company's Shares	139.969.608	84.400.592	134.050.935	(34.516.423)

Added remarks are component parts of the financial statements.

GÜBRE FABRİKALARI T.A.Ş. AND SUBSIDIARY COMPANY

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR 9-MONTH INTERIM PERIOD THAT ENDED AS OF 30 SEPTEMBER 2011

(Amounts are expressed in Turkish Lira unless otherwise stated)

	Paid-up Capital	Growth Funds	Foreign Currency Conversion Adjustments	Limited Provisions Segregated from Profit	Gains from Fixed Assets Sales	Previous Years' Profits /Losses	Net Period Profit / Loss	Equities of Parent Company	Minority Shares	Total Equities
01 January 10	83.500.000	89.303.889	76.639.105	5.645.297	-	103.466.732	(59.057.268)	299.497.755	305.794.708	605.292.463
Transfers from Previous Years' Profit / Loss	-	-	-	-	-	(59.057.268)	59.057.268	-	-	-
Gains from Fixed Assets Sales	-	-	-	-	881.151	(881.151)	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	(66.083.965)	(66.083.965)
Minority shares purchase	-	-	-	-	-	(3.136.169)	-	(3.136.169)	-	(3.136.169)
Total Comprehensive Income		47.456.973	-35.386.437	-	-	-	121.980.399	134.050.935	85.467.124	219.518.059
31 September 10	83.500.000	136.760.862	41.252.668	5.645.297	881.151	40.392.144	121.980.399	430.412.521	325.177.867	755.590.388
01 January 11	83.500.000	136.760.862	65.434.276	5.645.297	881.151	40.392.144	119.899.390	452.513.120	364.782.582	817.295.702
Transfers from Previous Years' Profit / Loss	-	-	-	-	-	119.899.390	(119.899.390)	-	-	-
Gains from Fixed Assets Sales	-	-	-	-	449.092	(449.092)	-	-	-	-
Minority shares purchase	-	-	-	-	-	-	-	-	(134.273.860)	(134.273.860)
Total Comprehensive Income	-	8.372.678	77.476.748	-	-	-	54.120.182	139.969.608	208.975.267	348.944.875
30 September 11	83.500.000	145.133.540	142.911.024	5.645.297	1.330.243	159.842.442	54.120.182	592.482.728	439.483.989	1.031.966.717

Added remarks are component parts of the financial statements

GÜBRE FABRİKALARI T.A.Ş. AND SUBSIDIARY COMPANY
CONSOLIDATED CASH FLOW STATEMENT FOR 9-MONTH INTERIM PERIOD THAT ENDED AS
OF 30 SEPTEMBER 2011

(Amounts are expressed in Turkish Lira unless otherwise stated)

		Current Period (Non-Independent Audited) 1 January - 30 Sept. 2011	Pre. Period (Non-Independent Audited) 1 January - 30 Sept. 2010
Cash Flow From Operations	Note		
Net period profit/ (loss)		196.891.738	231.404.557
Amendments to make the net cash amount used in business operations be in accord with the net period profit / (loss)			
Depreciation and Amortization	12-13	68.176.855	52.457.315
Incomes/Expenses from subsidiaries valued by Equity Method	10	4.444.515	(3.328.960)
Provisions for termination indemnities, permission and seniority-based incentives		43.360.803	21.102.564
Interest Income/ Expense		41.042.852	36.686.513
Provisions for termination indemnities, allowances		(161.555)	121.775
Exchange rate difference income / expense		126.696.345	(27.175.585)
Gain on sales of assets		(1.456.997)	(3.102.473)
Exchange Difference		10.803.343	5.027.975
Tax		14.923.243	42.811.908
Provisions for Other Payables and Incomes / Cancellation		-	(1.036.748)
Deferred Financial Income		(429.989)	(998.323)
Profits from Real Estate Sales		-	(16.476)
Investment Property Appreciation		(1.580.000)	(15.767.826)
Provisions for Doubtful Receivable / Cancellation	10	-	(6.784)
Cash flows resulted from the operations before the change in the capital		502.711.154	338.179.432
Changes in the capital of the company			
Increase / Decrease in trade receivables		(326.704.894)	3.815.650
Increase / Decrease in other receivables		1.861.997	(1.006.766)
Increase / Decrease in Inventories		(136.166.608)	(58.088.821)
Increase / Decrease in Other Current / Fixed Assets		(5.535.866)	11.395.819
Increase / Decrease in commercial liabilities		126.850.677	(36.459.810)
Increase / Decrease in other liabilities		(83.651.682)	(6.605.647)
Increase / Decrease in Provisions for Liabilities		9.514.046	(26.392.108)
Increase / Decrease in Other Short-term and Long-term Liabilities		16.820.370	7.830.544
Cash resulted from or used in the operations after the change in the capital or the capital		105.699.194	232.668.293
Paid-in interest		(48.296.921)	(11.118.420)
Paid-in taxes		(2.089.965)	(1.086.845)
Paid-in termination indemnities		(20.645.298)	(19.033.838)
Net cash used in operations		34.667.010	201.429.190
Yatırım faaliyetlerinde kullanılan nakit akımları			
Purchase of Tangible and Intangible Asset	12-13	(22.573.241)	(11.225.621)
Cash gained from sales of tangible and intangible fixed assets		4.232.242	5.166.137
Purchases related to financial investments		(10.200.000)	-
Cash from sales in financial investments		(212.500)	183.436
Collected Interests		14.098.581	10.097.794
Dividends paid for minority shares		(134.273.859)	(66.083.965)
Purchase of minority shares		-	(3.136.169)
Cash used / gained from Investment activities		(148.928.777)	(64.998.388)
Cash Flows from financial activities			
Cash Flow related to financial liabilities		72.534.968	46.971.825
Principal Repayment of Financial Liabilities		(14.993.910)	(44.518.844)
Net Cash used in financial activities		57.541.058	2.452.981
Net increase/decrease in cash and cash equivalents		(56.720.707)	138.883.783
Balance of Cash and Cash Equivalents at beginning of the year	4	212.432.811	21.238.159
Balance of Cash and Cash Equivalents at the period-end	4	155.712.101	160.121.942

Added remarks are component parts of the financial statements

**GÜBRE FABRİKALARI T.A.Ş. AND SUBSIDIARY COMPANY
FOOTNOTES FOR FINANCIAL STATEMENTS FOR 9-MONTH INTERIM PERIOD THAT ENDED AS
OF 30 SEPTEMBER 2011**

(Amounts are expressed in Turkish Lira unless otherwise stated)

1. GROUP'S ORGANIZATION AND MAIN BUSINESS ACTIVITY

Gübre Fabrikaları T.A.Ş. and its subsidiary company (together referred as "Group") consists of Gübre Fabrikaları T.A.Ş. ("Gübretaş" or "Company"), its subsidiary company and two affiliates. Gübre Fabrikaları T.A.Ş. is a company which was established in 1952 and has been operational in production and sales of chemical fertilizer.

The Company carries out a great deal of its operations in cooperation with the Agricultural Credit Cooperatives Central Union in Turkey. The central office of the Company is based in İstanbul, but there are other offices and production facilities as follows.

Unit	Main Activity
Yarımca Facilities	Production / Port/ Warehousing
İskenderun Facilities	Port/ Warehousing (on hire)
İzmir Regional Directorate of Sales	Sales-Marketing/ Liquid – Powder Fertilizer Production /Storage
Samsun Regional Directorate of Sales	Sales-Marketing / Warehousing
İskenderun Regional Directorate of Sales	Sales-Marketing / Warehousing
Tekirdağ Regional Directorate of Sales	Sales-Marketing / Warehousing
Ankara Regional Directorate of Sales	Sales-Marketing
Diyarbakır Regional Directorate of Sales	Sales-Marketing
Konya Regional Directorate of Sales	Sales-Marketing

The Company and its subsidiaries have 1.446 employees as of September 30, 2011 (31 December 2010: 1.511)

% 25 out of the public shares of the Company is traded on İstanbul Stock Exchange (İMKB) and registered at Capital Markets Board (SPK).

Here is the list of shareholders which own %10 or more share in the capital of the Company:

Name	30 September 2011		31 December 2010	
	Share Rate	Share Amount	Share Rate	Share Amount
Turkish Agricultural Credit Cooperatives	75,95%	63.421.152	75,95%	63.421.152
Others	24,05%	20.078.848	24,05%	20.078.848
TOTAL	100,00%	83.500.000	100,00%	83.500.000

Subsidiary Companies

Gübretaş participated in Razi Petrochemical Co. ("Razi") which produces and sells both chemical fertilizer and raw materials used for chemical fertilizer in May 24, 2008. Gübretaş has 48,88% out of the capital of Razi as the balance sheet date (December, 31 2010: %47,81). Gübretaş has right to assign 3 names for the 5-member board of directors of Razi. So Razi is considered as a subsidiary company because Gübretaş controls the operational management.

Razi established Raintrade Petrokimya ve Dış Ticaret A.Ş. ("Raintrade") in Turkey for purpose of selling petrochemical goods outside Iran at the end of 2010. Raintrade started its activities in April 2011. Razi's share in Raintrade is 99,99% and Groups indirect share on Raintrade is 48,88%

**GÜBRE FABRİKALARI T.A.Ş. AND SUBSIDIARY COMPANY
FOOTNOTES FOR FINANCIAL STATEMENTS FOR 9-MONTH INTERIM PERIOD THAT ENDED AS
OF 30 SEPTEMBER 2011**

(Amounts are expressed in Turkish Lira unless otherwise stated)

1. GROUP'S ORGANIZATION AND MAIN BUSINESS ACTIVITY (Cont.)

Participants (Partners)

The Company participated in Negmar Denizcilik Yatırım A.Ş. ("Negmar") which is operational in sea transport in 30 June 2008. The participation rate is 40% as the balance sheet date. (December 31, 2010: 40%).

The Company participated in Tarkim Bitki Koruma Sanayi ve Ticaret A.Ş. ("Tarkim") which produces and sells agricultural pesticide in Turkey. The participant rate is %40 as the balance sheet date. (December 31, 2010: %40).

Approval of Financial statements:

The financial statements were approved to be disclosed November 26, 2011 by the board of directors. The General Assembly is authorized to amend the financial statements.

2. PRINCIPLES PERTAINING TO PRESENTATION OF FINANCIAL STATEMENTS

2.1 Principles Pertaining to Presentation

Basis To Draft Financial Statements and Specific Accounting Policies

The Company and its participations based in Turkey draft and keep their legal records, books and financial statements in line with Turkish Trade Law ("TTL") and accounting principles defined by tax legislation. However the subsidiary company operating in Iran drafts its financial statements in currency of Iranian Riyal ("IRR") and in compliance with Iranian legislation.

The Capital Markets Board ("CMB"), Seri: XI, No: 29 "Communiqué of Financial Reporting Principles in Capital Markets" ("Seri: XI, No: 29 Communiqué") determines the principles, methods and basis in relation with the financial reports written by the companies as well as how to draft and present them. This communiqué has been put into force to affect the first interim financial statements of the accounting periods which start on and after 1 January 2008. And with this communiqué, the Seri: XI, No: 25 "Communiqué of Accounting Standards in Capital Market" was abolished.

According to this communiqué, the corporations should draft their financial statements in line with International Financial Reporting System ("IAS/IFRS") which is recognized and adapted by European Union. However, IAS/IFRS will be applied until Turkish Accounting Standards Board ("TASB") states the differences between IAS/IFRS adapted by EU and those adapted by International Accounting Standards Board ("IASB"). In this regard, Turkish Accounting / Financial Reporting Standards ("TAS/TFRS") will be taken as a basis.

Regarding to CMB Series XI Number 29 declaration, Companies can disclose financial statements fully or summarized shape in line with IAS 34 "Interim Financial Reporting" Standard. Within this scope, Group decided to disclose its 30 September 2011 dated financial statements in summarized shape in line with CMB's Financial Reporting Standards.

Financial statements are drafted in line with historical cost accounting, apart from appraisal of fixed assets and investment properties. To determine the historical cost, it is needed to take a fair value of the amount paid for the assets as a basis.

**GÜBRE FABRİKALARI T.A.Ş. AND SUBSIDIARY COMPANY
FOOTNOTES FOR FINANCIAL STATEMENTS FOR 9-MONTH INTERIM PERIOD THAT ENDED AS
OF 30 SEPTEMBER 2011**

(Amounts are expressed in Turkish Lira unless otherwise stated)

2. PRINCIPLES PERTAINING TO PRESENTATION OF FINANCIAL STATEMENTS (Cont.)

2.1 Principles Pertaining to Presentation (Cont.)

Current Currency in Use

Each Group company drafts its financial statements with the currency of the economic environment where it is operational and so we call this currency as functional currency. The currency used in the consolidated financial statements by the Company is Turkish Lira (“TL”).

However, the functional currency is Iranian Riyal (“IRR”) for the subsidiary company which operates in Iran. According to IAS 21 “The Effects of Changes in Foreign Exchange Rates”; the assets and liabilities of the Group’s participations abroad are converted into Turkish Lira in line with the parity of exchange on the balance sheet date. Foreign currency conversion losses or gains are kept in account of foreign currency conversion adjustments in the equities. At the end of period, these differences are noted as gain or loss.

Hence Turkey’s Central Bank (“TCB”) began declaring Iranian Riyal rate in 2010, TCB rate was used at the financial statements dated on 30 September 2011.

Here are the rates used:

<u>Foreign Currency</u>	<u>30 September 2011</u>		<u>31 December 2010</u>	
	<u>End of Period</u>	<u>Grade Point Average</u>	<u>End of Period</u>	<u>Grade Point Average</u>
IRR	0,00017040000	0,0001521990	0,0001481000	0,0001465100

Amendment of Financial statements during High Inflation Periods

In accordance with the 17 March 2005 dated and 11/367 numbered decision by SPK, the inflation accounting was ended as of 1 January 2005 for the companies operational in Turkey and drafting financial statement in line with SPK Accounting Standards or IAS/IFRS. So 29 numbered “Financial Reporting in Highly Inflated Economies” Standard (“IAS/TAS 29”) has not been applied since 1 January 2005.

Comparative Information and Amendment of Previous Periods’ Financial Statements

In order to determine financial situation and performance trends; Group’s consolidated financial statements are drafted in comparison with the previous period. The comparative information is re-classified if necessary to comply with the presentation of the current period consolidated financial statements and significant differences are stated. The Group has made some classifications in the financial statements of the current period.

Consolidation Principles

The consolidated financial statements include the financial statements of the corporations controlled by the Company and its subsidiaries or jointly controlled. The control is that a company has power on financial and operational policies in order to gain benefits from the operating activities.

If necessary, the accounting policies applied in the financial statements of the subsidiary companies are amended to comply with the accounting policies followed by the Group.

All operations, incomes, expenses and balances inside the Group are eliminated in the consolidation.

**GÜBRE FABRİKALARI T.A.Ş. AND SUBSIDIARY COMPANY
FOOTNOTES FOR FINANCIAL STATEMENTS FOR 9-MONTH INTERIM PERIOD THAT ENDED AS
OF 30 SEPTEMBER 2011**

(Amounts are expressed in Turkish Lira unless otherwise stated)

2. PRINCIPLES PERTAINING TO PRESENTATION OF FINANCIAL STATEMENTS (Cont.)

Principles Pertaining to Presentation (Cont.)

Consolidation Principles (Cont.)

Consolidated subsidiaries' shares in the net assets – excluding the parent company – are separately indicated within the equity of the Group. Minority shares consist of the shares which are created during the first mergers and these consolidated equities of participations before the merging date.

At the attached financial statements, operating results, assets and liabilities of participations are accounted by using equity method. According to equity method, the participations are showed via the amount which is calculated by deducting any depreciation of the participation from the amount calculated in result of correcting net assets' value after the participation.

The amount exceeding the fare value of the purchase price as well as purchase time value of assets, liabilities and conditional payables of the participation is recorded as goodwill. The goodwill is included into investment book value and examined as a part of the investment in respect of deprecation. The participation assets, liabilities and conditional payables which were defined at the time of purchase is revised by considering a fare value and exceeding amount is directly added into the income statement.

2.2 Amendments and Errors in Accounting Assumptions

Significant changes in the accounting policies are retroactively applied and the previous period' financial statements are revised. No significant change in accounting policies of the Group happened in the current period.

2.3 Amendments and Errors in Accounting Assumptions

If the amendments in accounting assumptions are related to one period, the amendment is applied in the current period. But, if the amendment is related to the future periods, it will be applied both in the current period and future periods. No significant change or amendment has happened in accounting assumptions of the Group over the current year. If any accounting mistake is found out; previous periods' financial statements will be revised.

2.4 Offset / Deduction

Finansal varlık ve yükümlülükler, gerekli kanuni hakkın bulunması, söz konusu varlık ve yükümlülükleri net olarak değerlendirmeye niyet olması veya varlıkların elde edilmesi ile yükümlülüklerin yerine getirilmesinin birbirini takip ettiği durumlarda net olarak gösterilirler.

2.5 Revised Reporting Standards

New and revised standards are applied by the Group and are effected financial statements' amounts and presentations. Other standards which used in these financial statments but has not effect on amounts are explained on further pages.

2.5.1 Standards effecting presentation and footnotes

None.

2.5.2 Amendments effecting reported financials or balance sheet

None.

2.5.3 Standards and Evaluations which are effective as of September 2011 but ineffective on financials dated 30 September 2011

Amendments to IAS 1 Presentation of Financial Statements (as part of Improvements to IFRSs issued in 2010)

**GÜBRE FABRİKALARI T.A.Ş. AND SUBSIDIARY COMPANY
FOOTNOTES FOR FINANCIAL STATEMENTS FOR 9-MONTH INTERIM PERIOD THAT ENDED AS
OF 30 SEPTEMBER 2011**

(Amounts are expressed in Turkish Lira unless otherwise stated)

The amendments to IAS 1 clarify that an entity may choose to present the required analysis of items of other comprehensive income either in the statement of changes in equity or in the notes to the financial statements. The amendments have been applied retrospectively.

Amendments to IFRS 7 Financial Instruments: Disclosures (as part of Improvements to IFRSs issued in 2010)

The amendment encourages qualitative disclosures in the context of the quantitative disclosure required to help users to form an overall picture of the nature and extent of risks arising from financial instruments. The amendment also clarifies the required level of disclosure around credit risk and collateral held and provides relief from disclosure of renegotiated loans. The amendments have been applied retrospectively.

IAS 24 (2009) ‘Related Party Disclosures’

IAS 24 “Statements from Subsidiaries” was updated in November 2009. The update of the standard provides the public corporations with partial exemption of the required statements. This updated standard has to apply for the financial periods which start on/after 1 January 2011.

IAS 32 (Amendments) Financial Instruments: Presentation and IAS 1 Presentation of Financial Statements

The amendments of IAS 32 and IAS 1 standards are effective for the financial periods which start on/after 1 February 2010. These amendments are related about the accounting operations of the rights (rights, options and guarantees) exported by a company drafting financial statement and not using the functional currency but another currency. In the previous periods, such rights used to be accounted as derivative liabilities. But these amendments state that such exported rights should be accounted as equity without considering which currency has been fixed for option and price if some specific conditions are available.

IFRS 1 (amendments) First time Adoption of International Financial Reporting Standards

The amendments of IFRS 1 standard which is effective for the financial periods that start on/ after 1 July 2010 introduce some partial or limited exemption for first companies applying IFRS 7 comparative presentation of fair value statements.

IFRIC 14 (Amendments) Prepayment of Minimum Funding Requirement

The amendments of IFRIC 14 evaluation is effective for the financial periods which start on /after 1 January 2011. The companies which have to contribute minimum funding for the defined retirement benefit plans and opt to prepay these contributions will be affected. In accordance with these amendments, the extra amount gained from the voluntary pre-payments is accounted as asset.

IFRIC 19 ‘Extinguishing Financial Liabilities with Equity Instruments’

IFRIC 19 is effective for the financial periods which start on /after 1 July 2010. IFRIC only states the accounting applications which will be used by the companies exporting equity instruments in order to pay a whole liability or a part of a liability

May 2010 ‘Annual Amendments’

IASB, in addition to the updated standards and the amendments mentioned herein before, issued statements about the foremost 7 standards / evaluations in May 2010: IFRS 1 First time Adoption of International Financial Reporting Standards; IFRS 3 Business Combinations; IFRS 7 Financial Instruments: Statements; IAS 1 Presentation of Financial Statements; IAS 27 Consolidated Financial statements; IAS 34 Interim Financial Reporting; and IFRIC 13 Customer loyalty Programs. All of the amendments, excepting those IFRS 3 and IAS 27 which are effective as of 1 July 2010, will be effective along with early application option for the financial periods as of 1 January 2011. The Group has yet to evaluate the possible effects on its financial statements as a result of application of the standards mentioned herein before.

Aforementioned standards, amendments and evaluations have no significant effect on Groups’ financial performance and financial situation.

**GÜBRE FABRİKALARI T.A.Ş. AND SUBSIDIARY COMPANY
FOOTNOTES FOR FINANCIAL STATEMENTS FOR 9-MONTH INTERIM PERIOD THAT ENDED AS
OF 30 SEPTEMBER 2011**

(Amounts are expressed in Turkish Lira unless otherwise stated)

2. PRINCIPLES PERTAINING TO PRESENTATION OF FINANCIAL STATEMENTS (cont.)

2.5 Revised Reporting Standards (Cont.)

2.5.4 Standards and Evaluations which are uneffective as of 30 September 2011 and also uneffective on financials dated 30 September 2011

IFRS 1 (Changes) Implementation of IFRS as a First – Other Exceptional Situations

The changes on the IFRS 1 are valid for financial statement which is at the date of 1 July 2010 or starting as of this date, IFRS 7, in terms of presentation of value explanations pursuant to fair value, provides a limited exemption to business that uses IFRS as a first.

At date of 20 December 2010, it has been brought changes to IFRS 1 to ensure easiness to preparers of financial statements before shifting period to IFRS and to present legends to firms which has gotten out of the high inflationary environment among to business that prepare and present financial statements. These changes will be valid for financial statements at the date of 1 July 2011 or beginning after this date.

Currently, The Group has been already preparing financial statements pursuant to IFRS, therefore this change is not mentioned about the group.

IFRS 7 “Financial Instruments: Disclosures”

IFRS 7 “Financial Instruments: Disclosures” Standard, was changed in October 2010 as part of comprehensive review studies related to off balance sheet’s operations. These changes, will help to financial statements’ users to understand transfer operations regarding financial assets and probable effects of remaining risks in the firm that performs the transfer operation. In addition, in accordance with these changes, in case of implementing of disproportionately transfer procedures at the end of the periods, it is required to make a more explanations. These changes will be valid for financial statements at the date of 1 July 2011 or beginning after this date. The Group will disclose if any implementation occurred.

IFRS 9 ‘Financial Instruments’

International Accounting Standards Board (IASB) issued the first part of IFRS 9 classification and evaluation of the financial instruments in November 2009. IFRS 9 will be used instead of IAS 39 Financial Instruments: Recognition and Measurement. This Standard requires that financial assets should be classified in accordance with the cash flow based on the contract and the model used by the company to administrate the financial assets and then should be evaluated in line with a fair value or cost. This new Standard has to be applied for the financial periods which start on /after 1 January 2013. According to Group, this standard doesn’t have decent effect on financial statements.

IAS 12 “Income Tax”

IAS 12 “Income Tax” Standard, modified in December 2010. In Accordance with IAS 12, deferred tax which associated with asset, needs to be calculated depending gaining back or not as a result of use of book value of asset and sale of asset. If asset is recorded pursuant to fair value that is shown in the Standard of UMS 40 “Investment Property” it may be difficult to determine whether gain back’s transaction of asset’s book value is associated with use of assets or sale of assets. change is made in Standard, in this kind of situation, bring a practical solution by emphasizing that gaining back of asset is made via sale of asset. These changes will be valid for financial statements at the date of 1 Jan 2012 or beginning after this date. According to Group, this standard doesn’t have decent effect on financial statements.

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2. PRINCIPLES PERTAINING TO PRESENTATION OF FINANCIAL STATEMENTS (Cont.)

2.5 Revised Reporting Standards (Cont.)

2.5.4 Standards and Evaluations which are ineffective as of 30 September 2011 and also ineffective on financials dated 30 September 2011

IFRS 10 Consolidated Financial Statements

IFRS 10 replaces the consolidation guidance in IAS 27 Consolidated and Separate Financial Statements and SIC-12 Consolidation — Special Purpose Entities by introducing a single consolidation model for all entities based on control, irrespective of the nature of the investee (i.e., whether an entity is controlled through voting rights of investors or through other contractual arrangements as is common in special purpose entities). Under IFRS 10, control is based on whether an investor has 1) power over the investee; 2) exposure, or rights, to variable returns from its involvement with the investee; and 3) the ability to use its power over the investee to affect the amount of the returns. The new standard is mandatory for annual periods beginning on or after 1 January 2013. According to Group, this standard doesn't have decent effect on financial statements.

IFRS 11 Joint Arrangements

IFRS 11 introduces new accounting requirements for joint arrangements, replacing IAS 31 Interests in Joint Ventures. The option to apply the proportional consolidation method when accounting for jointly controlled entities is removed. Additionally, IFRS 11 eliminates jointly controlled assets to now only differentiate between joint operations and joint ventures. A joint operation is a joint arrangement whereby the parties that have joint control have rights to the assets and obligations for the liabilities. A joint venture is a joint arrangement whereby the parties that have joint control have rights to the net assets. The new standard is mandatory for annual periods beginning on or after 1 January 2013. According to Group, this standard doesn't have decent effect on financial statements.

IFRS 12 Disclosure of Interest In Other Entities

IFRS 12 requires extensive disclosures relating to an entity's interests in subsidiaries, joint arrangements, associates and unconsolidated structured entities. An entity is required to disclose information that helps users of its financial statements evaluate the nature of and risks associated with its interests in other entities and the effects of those interests on its financial statements. The new standard is mandatory for annual periods beginning on or after 1 January 2013. According to Group, this standard doesn't have decent effect on financial statements.

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2. PRINCIPLES PERTAINING TO PRESENTATION OF FINANCIAL STATEMENTS (Cont.)

2.5 SPK Finansal Raporlama Standartları'ndaki Değişiklikler (devamı)

2.5.4 Standards and Evaluations which are uneffective as of 30 September 2011 and also uneffective on financials dated 30 September 2011 (Cont.):

IAS 27 Separate Financial Statements (2011)

The requirements relating to separate financial statements are unchanged and are included in the amended IAS 27. The other portions of IAS 27 are replaced by IFRS 10.

IAS 28 Investments in Associates and Joint Ventures (2011)

IAS 28 is amended for conforming changes based on the issuance of IFRS 10, IFRS 11 and IFRS 12.

IFRS 13 Fair Value Measurements

On 12 May 2011, IASB issued IFRS 13 Fair Value Measurement, which establishes a single source of guidance for fair value measurement under IFRSs. IFRS 13 defines fair value, provides guidance on its determination and introduces consistent requirements for disclosures on fair value measurements. The Standard does not include requirements on when fair value measurements is required; it prescribes how fair value is to be measured if another Standard requires it. The new standard is mandatory for annual periods beginning on or after 1 January 2013. According to Group, this standard doesn't have decent effect on financial statements.

IAS 1 Presentation of Financial Statements (2011) – Presentation of Items of Other Comprehensive Income

The amendments to IAS 1 provides guidance on the presentation of items contained in other comprehensive income (OCI) and their classification within OCI. The new standard is mandatory for annual periods beginning on or after 1 July 2012. According to Group, this standard doesn't have decent effect on financial statements

IAS 19 Employee Benefits (2011) (the “amendments”)

The amendments to IAS 19 change the accounting for defined benefit plans and termination benefits. The new standard is mandatory for annual periods beginning on or after 1 January 2013. According to Group, this standard doesn't have decent effect on financial statements

IFRIC 20 Stripping Costs in the Production Phase of a Surface Mine

On October 19th, 2011 IASB declared IFRIC 20 standard which clarifies accounting of stripping costs in the production phase of surface mines. This interpretation clarifies policies of accounting , when and how it would be accounted as asset, first date of enrolling and how it would measured at later periods. This Standard will be effective after January 1th, 2013 or later, and it is allowed for early use. Group does not expect any decent effect on financial statements.

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2. PRINCIPLES PERTAINING TO PRESENTATION OF FINANCIAL STATEMENTS (cont.)

2.6 Summary of Major Accounting Policies

Summarized financial statements dated 30th September 2011 are disclosed within the scope of IAS 34 “Interim Financial Reporting” Standards. Current interim periods financial statements are prepared with the same and consistent policies as if, 31 December 2011 financial statements, therefore it must be reviewed by 31 December 2011 dated financial statements.

2.7 Significant Accounting Forecasts And Assumptions

At the process of preparing of consolidated financial statements pursuant to Capital Market Board’s Financial Reporting Standards, The Group’s management should make a forecasts and assumptions that determines as date of reporting period, amount of income and expenses and amount of probable liabilities and guarantees that may be occurred as date of balance sheet. Although these forecasts and assumptions, is depend on the groups’ well knowledge that is associated current event and transactions, may differ from actual results. Forecasts are reviewed on a regular basis, required adjustments is made and reflected to periods’ income statement. Forecasts and assumptions in financial statements dated 30 September 2011 are in line with financial statements dated 31 December 2011.

3. OPERATING SEGMENTS

Group started to implement IFRS 8 as of 1 January 2009, and operation departments were designated based on internal reports regularly reviewed by the competent authority of making decision on Group’s activities.

Group’s competent authority of making decision reviews the results and activities based on geographical divisions in order to make decision on resources to be allocated to departments and evaluate the performance of these departments. The company operates in Turkey; whereas Razi, a subsidiary, operates in Iran. The company undertakes chemical fertilizer production sales throughout Turkey. Razi Company on the other hand, performs the production and sales of chemical fertilizer raw materials.

Since Company management evaluates operation results and performance through financial statements prepared in accordance with IFRS, IFRS financial statements are used to prepare reports by departments.

The amounts of domestic and export sales are given in note 17. The distribution of department assets and liabilities pertaining to the periods ending on 30 September 2011 and 31 December 2010 is as follows:

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3. OPERATING SEGMENTS (Cont.)

The distribution of balance sheets by departments as of 31 September 2011 and 31 December 2010 is as follows:

	Turkey	Iran	Consolidation Adjustments	Total
	30 September 2011	30 September 2011	30 September 2011	30 September 2011
ASSETS				
Current Assets	581.495.705	832.036.376	(55.044.005)	1.358.488.076
Fixed Assets	656.053.696	804.224.446	(140.992.765)	1.319.285.377
TOTAL ASSETS	1.237.549.401	1.636.260.822	(196.036.770)	2.677.773.453
LIABILITIES				
Short Term Liabilities	742.809.660	613.691.279	(55.044.005)	1.301.456.934
Long Term Liabilities	147.998.768	196.351.035	-	344.349.803
Equities	346.740.973	826.218.508	(140.992.765)	1.031.966.716
TOTAL LIABILITIES	1.237.549.401	1.636.260.822	(196.036.770)	2.677.773.453
	Turkey	Iran	Consolidation Adjustments	Total
	31 December 2010	31 December 2010	31 December 2010	31 December 2010
ASSETS				
Current Assets	503.194.679	548.023.316	(76.918.877)	974.299.118
Fixed Assets	644.220.999	735.969.473	(178.135.193)	1.202.055.279
TOTAL LIABILITIES	1.147.415.678	1.283.992.789	(255.054.070)	2.176.354.397
LIABILITES				
Short Term Liabilities	695.070.306	426.849.229	(76.918.877)	1.045.000.658
Long Term Liabilities	159.971.243	154.086.794	-	314.058.037
Equities	292.374.129	703.056.766	(178.135.193)	817.295.702
TOTAL LIABILITIES	1.147.415.678	1.283.992.789	(255.054.070)	2.176.354.397

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3. OPERATING SEGMENTS (Cont.)

The distribution of income statements by segments for the periods ending on 30 September 2011 and 31 December 2010 is as follows:

	Turkey	Iran	Consolidation Adjustments	Total
	01 January 2011- 30 September 2011	01 January 2011- 30 September 2011	01 January 2011- 30 September 2011	01 January 2011- 30 September 2011
MAIN ACTIVITY INCOMES				
Sales Incomes (Net)	825.183.761	699.376.343	(3.421.898)	1.521.138.206
Sales Cost (-)	(734.573.670)	(337.707.969)	3.421.898	(1.068.859.741)
Gross main activity profit	90.610.091	361.668.374	-	452.278.465
Marketing, sales and distribution expenses	(50.438.639)	(30.335.045)	-	(80.773.684)
General management expenses	(8.508.179)	(28.614.639)	-	(37.122.818)
Other activity incomes	6.924.069	36.971.877	-	43.895.946
Other activity expenses	(1.664.268)	(15.461.594)	-	(17.125.862)
Activity profit	36.923.074	324.228.973	-	361.152.047
Shares in profit/loss of investments increase in value through equity method	(4.444.515)	-	-	(4.444.515)
Financial incomes	153.149.317	44.794.311	(132.899.366)	65.044.262
Financial expenses	(131.331.928)	(83.103.391)	4.498.506	(209.936.813)
Pre-tax profit from maintained activities	54.295.948	285.919.893	(128.400.860)	211.814.981
Tax expense	-	(4.196.312)	-	(4.196.312)
Deferred tax income / (expense)	(8.301.782)	(2.425.149)	-	(10.726.931)
Profit for the period	45.994.166	279.298.432	(128.400.860)	196.891.738

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3. OPERATING SEGMENTS (Cont.)

	Turkey	Iran	Consolidation Adjustments	Total
	01 January 2010- 30 September 2010	01 January 2010- 30 September 2010	01 January 2010- 30 September 2010	01 January 2010- 30 September 2010
MAIN ACTIVITY INCOMES				
Sales Incomes (Net)	513.477.385	452.889.025	-	966.366.410
Sales Cost (-)	(452.353.167)	(175.036.878)	-	(627.390.045)
Gross main activity profit	61.124.218	277.852.147	-	338.976.365
Marketing, sales and distribution expenses	(32.549.259)	(7.797.723)	-	(40.346.982)
General management expenses	(9.304.486)	(24.852.848)	-	(34.157.334)
Other activity incomes	20.835.053	12.157.714	-	32.992.767
Other activity expenses	(782.467)	(14.832.417)	-	(15.614.884)
Activity profit	39.323.059	242.526.873	-	281.849.932
Shares in profit/loss of investments increase in value through equity method	728.962	-	-	728.962
Financial incomes	121.215.634	8.104.397	(60.521.302)	68.798.729
Financial expenses	(66.727.832)	(10.433.327)	-	(77.161.159)
Pre-tax profit from maintained activities	94.539.823	240.197.943	(60.521.302)	274.216.464
Tax expense	-	(11.599.433)	-	(11.599.433)
Deferred tax income / (expense)	(16.676.181)	(14.536.294)	-	(31.212.475)
Profit for the period	77.863.642	214.062.216	(60.521.302)	231.404.556

Capital expenses pertaining to department assets for the periods ending on 30 September 2011 and 31 December 2010 are as follows:

CAPEX	01 January 2011- 30 September 2011	01 January 2010- 31 December 2010
Turkey	5.590.658	6.588.679
Iran	16.422.985	13.380.539
	22.013.643	19.969.218

Depreciation / Amortization expenses pertaining to department assets for the periods ending on 30 September 2011 and 30 December 2010 are as follows:

Depreciation / Amortization	01 January 2011- 30 September 2011	01 January 2010- 30 September 2010
Turkey	3.224.847	2.763.082
Iran	64.950.278	49.693.899
	68.175.125	52.456.981

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4. CASH AND CASH EQUIVALENT

	30 September 2011	31 December 2010
Cash	347.364	106.126
Banks - Demand deposits	25.582.055	3.709.615
Banks - Time deposits (< 3 months)	127.099.899	189.064.829
Government Bonds and Treasury Bills	681.600	18.956.800
Other Liquid Assets	2.001.184	595.441
Cash and Cash Equivalent	155.712.102	212.432.811

The maturities of time deposits as of 30 September 2011 and 31 December 2010 are shorter than 3 months; their values assessed according to effective interest method are as follows.

Time Deposits : TL						
Interest Rate (%)	Maturity			30 September 2011		31 December 2010
				-		91.311.876
Toplam				-		91.311.876
Time Deposits : Foreign Currency						
				30 September 2011		31 December 2010
Interest Rate (%)	Maturity	Foreign Currency	Foreign Currency Amount	Amount in TL	Foreign Currency Amount	Amount in TL
0,5 - Libor + 0,5	October 2011	EUR	10.529.416	26.488.851	96.645	14.313.125
6,00 - 9,00	October 2011	Mil. IRR	479.993	81.790.807	191.304	28.332.122
6,00	October 2011	YEN	2.715.101	64.922		
3,89	October 2011	EUR	105.124	264.461		
2,25 - 4,50	October 2011	USD	10.039.180	18.490.858	35.645.347	55.107.706
Total				127.099.899		97.752.953

Government Bonds

		30 September 2011		31 December 2010	
Interest Rate (%)	Foreign Currency	Foreign Currency Amount	Amount in TL	Foreign Currency Amount	Amount in TL
15,00 - 17,00	Mil.IRR	4.000	681.600	128.000	18.956.800
Total			681.600		18.956.800

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5. FINANCIAL INVESTMENTS

Long Term Financial Investments

Marketable Securities		30 September.2011		31 December 2010	
		Share (%)	Amount of Participation	Share (%)	Amount of Participation
Name	Subject of Activity				
İmece Prefabrik Yapı Tarım Makineleri Temizlik ve Güvenlik Hiz. San. Tic. A.Ş	Steel, Container, Tower, Crane and Spare part Manufacture	15,00	2.013.888	15,00	2.013.888
Tarım Tarım Kredi Bilişim ve İletişim Hiz. A.Ş	Internet Service Provider etc	17,00	523.627	17,00	311.128
Tareksav	Agricultural Credit Cooperative Training Foundation		200.000		200.000
Total			2.737.515		2.525.016

Financial investments for sale are valued with cost value since they do not have an active market. Group does not expect an impairment in financial investments.

6. FINANCIAL PAYABLES

	30 September 2011	31 December 2010
Short Term Bank Credits (Gübretaş)	130.071.733	56.391.568
Other Financial Payables (Razi)	215.310.454	184.357.546
Total Short Term Financial Payables	345.382.187	240.749.114
Long Term Bank Credits (Gübretaş)	45.432.649	46.690.723
Other Financial Payables (Razi)	81.087.396	65.973.218
Total Long Term Financial Payables	126.520.045	112.663.941

Short Term Financial Payables

Bank Credits

Interest Rate (%)	Maturity	Foreign Currency	30 September 2011		31 December 2010	
			Foreign Currency Amount	Amount in TL	Foreign Currency Amount	Amount in TL
2,59-8	April 2011 - October 2011	EUR			10.012.333	20.516.273
8,22-9	May 2011 - August 2011	TL			-	35.875.295
2,99 -8	October 2011 - April 2012	EUR	10.482.155	26.369.958		
5,80-5,95	December 2011 - January	USD	29.189.727	53.863.802		
9-11	May 2011 - August 2011	TL	-	49.837.973		
Total TL				130.071.733	-	56.391.568

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Other Financial Payables (*)

Rate	Maturity	Foreign Currency	30 September 2011		31 December 2010	
			Foreign Currency Amount	Amount in TL	Foreign Currency Amount	Amount in TL
(*) Libor+0,5	October 2011	EUR	67.129.000	167.421.068	72.114.000	146.325.022
16%	October 2011	Milyon IRR	281.041	47.889.386	256.803	38.032.524
		Total		215.310.454		184.357.546

Long Term Financial Payables

Bank Credits

Interest Rate (%)	Maturity	Foreign Currency	30 September 2011		31 December 2010	
			Foreign Currency Amount	Amount in TL	Foreign Currency Amount	Amount in TL
2,99-8	April 2014	EUR	18.059.645	45.432.649	22.785.966	46.690.723
		Total	18.059.645	45.432.649	22.785.966	46.690.723

Other Financial Payables (*)

Interest Rate	Maturity	Foreign Currency	30 September 2011		31 December 2010	
			Foreign Currency Amount	Amount in TL	Foreign Currency Amount	Amount in TL
Libor+0,5	March 2014	EUR	32.513.000	81.087.396	32.513.000	65.973.218
		Total	32.513.000	81.087.396	32.513.000	65.973.218

(*) Other financial payable amounts that take place within the short and long-term financial payables show the payable amount to NPC as the previous owner of Razi Petrochemical Co. prior to privatization.

Group alienates its receivables from Turkish Agricultural Credit Cooperative Central Union as surety for its long term credits.

7. TRADE RECEIVABLES AND PAYABLES

Trade receivables

Short Term Trade Receivables

	30 September 2011	31 December 2010
Trade receivables	281.580.389	159.698.639
Trade receivables from related parties (Note 37)	166.073.492	42.640.090
Note receivable	5.372.983	1.564.197
Receivables from National Petrochemical Company ("NPC") (Razi)	88.130.710	75.631.560
Provisions for doubtful trade receivables	(257.734)	(334.101)
Short Term Trade Receivables	540.899.840	279.200.385

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The details of transactions related to related parties are given in Footnote 21.

7. TRADE RECEIVABLES AND PAYABLES (Cont.)

Guarantees related to undue receivables:

	30 September 2011	31 December 2010
Letters of Guarantee	126.773.299	117.411.922
Collateral Checks / Notes	102.159.916	1.455.779
Total Amount	228.933.215	118.867.701

Analysis of the receivables which are overdue and impaired:

The company allocates provisions for doubtful receivables in case the receivables which are considered to be doubtful being without security and having a risk of collection.

The data of the company regarding the doubtful receivables and allowances allocated regarding these receivables are as follows:

Doubtful Receivables

	30 September 2011	31 December 2010
Overdue following the maturity		
More than 9 months	(257.734)	334.101
Total	(257.734)	334.101

Provision for doubtful receivables:

	30 September 2011	31 December 2010
Opening balance	334.101	305.017
Expenses in period	-	29.084
Collection/adjusting in period	(76.367)	-
Closing balance	257.734	334.101

Trade Payables

	30 September 2011	31 December 2010
Suppliers (Gübretaş)	424.763.450	406.859.770
Suppliers (Razi)	112.687.735	22.260.319
Payables to related parties (Note 37)	6.612.823	4.038
Payables to NPC (Razi)	167.201.251	136.517.099
Other Trade Payables	1.272.236	2.797.974
Short Term Trade Payables	712.537.495	568.439.200

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8. OTHER RECEIVABLES AND PAYABLES

Other Short Term Receivables

	30 September 2011	31 December 2010
Deposits and collateral given	102.398	-
Receivables from employees	4.477.035	2.613.749
Receivables from NPC (From Minority Shares) (Razi) (*)	58.518.905	76.869.564
Blocked Bank Account	69.227.490	-
Tax Receivables (Razi)	10.871.350	5.346.410
Other Various Receivables	2.177.124	3.887.671
Other Short Term Receivables	145.374.302	88.717.394

(*) Amount of Razi's receivables paid to Iranian Privatization Organization on behalf of minority shares, and owed amount of minority shares.

Other Long Term Receivables

	30 September 2011	31 December 2010
Deposits and collateral given	26.141	24.554
Receivables from employees (*)	19.740.840	12.825.904
Other Long Term Receivables	19.766.981	12.850.458

(*) Receivables from employees are financing amount which are provided by Razi for its staff for housing

Other Short Term Payables

	30 September 2011	31 December 2010
Payables to Iranian Privatization Org. (*)	94.988.875	120.543.913
Payables to the staff	6.121.270	11.219.687
Payable Taxes, Funds and Other Liabilities	1.067.881	1.782.592
Advances taken	999.278	2.407.473
Other Payables and Liabilities	11.861.467	3.597.347
Other Short Term Payables	115.038.771	139.551.012

Other Long Term Payables

	30 September 2011	31 December 2010
Payables to Iranian Privatization Org. (*)	97.272.003	107.910.836
Other Long Term Payables	97.272.003	107.910.836

(*) In 2008, the consortium, also including the company, participated to Iranian Privatization Organization's tender and purchased the shares of the Razi Petrochemical Co. Twenty percent of the sales price was paid in advance and the balance is being paid in semiannual installments. As of 31 September 2011, a sum of 94.988.875 TL out of total payable 192.260.878 TL (31 December 2010; 228,454,749 TL) is shown in short term trade payables and the remaining 97.272.003 TL is shown in long term trade payables.

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9. INVENTORIES

	30 September 2011	31 December 2010
Raw Materials	183.713.044	142.288.200
Finished Goods	52.135.648	30.105.593
Commodities	224.824.251	162.450.301
Other Inventories	16.465.193	12.971.948
Total	477.138.136	347.816.042

There is no provision for inventory losses in current period. (2010: None).

10. INVESTMENTS VALUED BY EQUITY METHOD

Affiliates' net asset amounts taking place in balance sheet, which are accounted by equity method, are as follows:

	Negmar Denizcilik Yatırım A.Ş.		Tarkim Bitki Koruma San.Tic.A.Ş.	
	30 September 2011	31 December 2010	30 September 2011	31 December 2010
Total Assets	22.158.020	13.648.956	14.963.654	10.009.629
Total Liabilities	99.480.539	69.163.321	5.681.500	5.487.615
Net Assets	121.638.559	82.812.277	20.645.154	15.497.244
Other Short Term Liabilities	28.486.582	30.588.893	4.733.841	6.387.576
Other Long Term Liabilities	80.960.783	47.619.258	-	-
Equities	12.191.194	4.604.126	15.911.313	9.109.668
Net Sources	121.638.559	82.812.277	20.645.154	15.497.244

	Negmar Denizcilik Yatırım A.Ş.		Tarkim Bitki Koruma San.Tic.A.Ş.	
	30 September 2011	31 December 2010	30 September 2011	31 December 2010
Net Sales	117.961.668	54.996.980	13.494.105	5.563.871
Net profit / loss	(8.120.500)	1.167.275	406.750	(384.439)

Subsidiaries' net asset amounts taking place in balance sheet, which are accounted by equity method, are as follows:

	30 September 2011	31 December 2010
Negmar Denizcilik Yatırım A.Ş.	4.876.477	1.841.651
Tarkim Bitki Koruma Sanayi ve Ticaret A.Ş.	6.364.525	3.643.867
Total	11.241.003	5.485.518

Effects of subsidiaries accounted by equity method on activity results of the period are as follows:

	30 September 2011	31 December 2010
Negmar Denizcilik Yatırım A.Ş	(4.765.173)	(813.947)
Tarkim Bitki Koruma San.Tic.A.Ş	320.658	(356.133)
Total	(4.444.515)	(1.170.080)

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11. INVESTMENT PROPERTIES

The fair value of investment properties of the Group on September 2011, was obtained through an assessment made in June 2011 by Yetkin Real Estate Assessment and Consulting Inc. Co. which has no relation with Group and is an independent expertise company. Appraisal Company is an independent appraisal company which has been authorized by Capital Markets Board.

As of balance sheet date, there is no restriction about salability of investment properties and no liabilities arising from purchasing, constructing or improving, maintenance, repair or rehabilitation contracts.

	30 September 2011	30 September 2010
Net Value at the beginning of period	60.169.595	44.401.769
Rise in fair value	1.580.000	15.767.826
Net Value at the end of period	61.749.595	60.169.595

The Company had lease income amounting to 1.232.950 TL from its investment properties and 258.092 TL due to yield contract with Denizciler Birliđi in the period ending on the date of 30 June 2011, and paid no maintenance cost. (31 September 2010: 1.136.667 TL)

12. TANGIBLE FIXED ASSETS

The depreciation and amortization cost of the company is 3.224.847 TL as of 30 September 2011, and details are given below.

	Gübretaş	Razi	Total Amount
Amortization Cost	3.174.381	64.950.278	68.124.659
Depreciation Cost	50.466	-	50.466
Total	3.224.847	64.950.278	68.175.125

Out of the total of 68.175.125 TL depreciation and amortization costs; 65.107.049 TL have been included in General Production Costs, 510.691 TL in Sales and Marketing Costs, 1.470.153 TL in General Administrative Costs, and 1.087.232 TL remained in inventories.

(30 September 2010: Out of the total of 52.456.981 TL depreciation and amortization costs; 50.977.594 TL have been included in General Production Costs, 343.665 TL in Sales and Marketing Costs, 1.364.535 TL in General Management Costs, and 75.327 TL remained in inventories.)

Pledges and Mortgages on Assets

There are no pledges or mortgages on the fixed tangible fixed assets of the company as of the dates 30 September 2011 and 31 December 2010.

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12. TANGIBLE FIXED ASSETS (Cont.)

		Surface and	Buildings	Facility, Machinery	Vehicles	Fixtures	Ongoing Investments	Total
	Land	Underground Improvement		and Devices				
Cost Value								
Opening Balance on 1 January 2011	105.296.758	9.857.737	118.557.977	1.118.913.890	7.213.506	10.957.238	14.676.484	1.385.473.591
Translation Differences	482.639	-	6.655.257	160.348.217	865.374	1.303.078	2.180.115	171.834.679
Revaluation Differences	4.843.630	-	12.003.320	-	-	-	-	16.846.950
Purchases	-	2.040.398	355.557	1.308.915	521.215	326.573	17.972.621	22.525.279
Sales	-	-	(4.471.637)	(77.224)	(59.773)	(48.432)	-	(4.657.066)
Closing Balance on 30 Sept. 2011	110.623.027	11.898.135	133.100.474	1.280.493.799	8.540.321	12.538.457	34.829.220	1.592.023.433
Accrued Depreciation							9.039.917	
Opening Balance on 1 January 2011	-	(9.095.976)	(68.699.472)	(459.702.370)	(4.913.608)	(5.979.942)	-	(548.391.368)
Translation Differences	-	-	(3.789.004)	(69.043.543)	(695.510)	(808.230)	-	(74.336.286)
Revaluation Differences	-	-	(7.807.033)	-	-	-	-	(7.807.033)
Expenses for the period	-	(98.529)	(3.580.213)	(63.024.558)	(463.624)	(957.735)	-	(68.124.659)
Sales / Cancellation	-	-	1.351.272	62.750	44.594	423.206	-	1.881.821
Closing Balance on 30 September 2011	-	(9.194.505)	(82.524.450)	(591.707.721)	(6.028.148)	(7.322.701)	-	(696.777.525)
Net Value on 30 September 2011	110.623.027	2.703.630	50.576.023	688.786.078	2.512.174	5.215.756	34.829.220	895.245.907

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12. TANGIBLE FIXED ASSETS (Cont.)

		Surface and	Buildings	Facility, Machinery	Vehicles	Fixtures	Ongoing Investments	Total
Cost Value	Land	Underground Improvement		and Devices				
Opening Balance on 1 Jan. 2010	67.248.091	9.741.169	83.247.815	1.127.661.497	6.214.114	10.148.776	9.687.920	1.313.949.382
Translation Differences	(194.787)	-	(2.742.282)	(64.440.909)	(319.746)	(486.063)	(576.846)	(68.760.633)
Revaluation Differences	37.349.359	-	33.190.280	-	-	-	-	70.539.639
Purchases	1.113.430	116.568	1.982.600	564.228	977.420	591.212	5.880.163	11.225.621
Sales	(373.000)	-	(2.403.768)	-	(153.286)	(286.158)	-	(3.216.212)
Closing Balance on 30 Sept. 2010	105.143.093	9.857.737	113.274.645	1.063.784.816	6.718.502	9.967.767	14.991.237	1.323.737.797
Accrued Depreciation								
Opening Balance on 1 Jan. 2010	-	(8.973.491)	(44.866.509)	(396.968.804)	(4.534.356)	(5.288.804)	-	(460.631.964)
Translation Differences	-	-	1.374.678	20.795.364	245.376	250.416	-	22.665.834
Revaluation Differences	-	-	(20.213.143)	-	-	-	-	(20.213.143)
Expenses for the period	-	(93.987)	(3.443.976)	(47.822.662)	(380.672)	(715.684)	-	(52.456.981)
Sales / Cancellation	-	-	740.673	-	131.716	280.000	-	1.152.389
Closing Balance on 30 Sept. 2010	-	(9.067.478)	(66.408.277)	(423.996.102)	(4.537.936)	(5.474.072)	-	(509.483.865)
Net Value as of 30 Sept. 2010	105.143.093	790.258	46.866.368	639.788.714	2.180.566	4.493.695	14.991.237	814.253.932

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13. INTANGIBLE FIXED ASSETS

Rights	30 September 2011	30 September 2010
Opening Balance on 1 January	190.242	23.050
Purchases	47.962	-
Closing Balance on 30 September	238.204	23.050
Accrued Depreciation		
Opening Balance on 1 January	(23.050)	(22.716)
Amortization expenses for current period	(52.196)	(334)
Closing Balance on 30 September	(75.246)	(23.050)
Net Book Value	162.958	-

14. GOODWILL

	Goodwill
Amount as of 31 December 2009	249.836.962
Translation difference	(3.164.601)
Amount as of 31 December 2010	246.672.361
Translation difference	37.142.428
Amount as of 30 September 2011	283.814.789

15. PROVISIONS, CONDITIONAL ASSETS AND LIABILITIES

Provisions for Payables

Provisions for Short Term Payable

	30 September 2011	31 December 2010
Provisions for costs	54.951.273	45.004.271
Provisions for law and compensations	1.608.275	1.643.594
Total	56.559.548	46.647.865

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15. PROVISIONS, CONDITIONAL ASSETS AND LIABILITIES (Cont.)

Provisions for Short Term Payable (Cont.)

Lawsuit Provisions:

	30 September 2011
As of 1 January 2011	1.643.594
Additional Provisions	(45.142)
As of 30 September 2011	1.598.452

Guarantess-Liens-Mortgages (“GLM”)

As of dates 30 September 2011 and 31 December 2010 Groups guarantess/liens/mortgage position listed in table below:

	30 September 2011			31 December 2010		
	Foreign Exchange	Foreign Exchange Amount	Amount in TL	Foreign Exchange	Foreign Exchange Amount	Amount in TL
GLM's given from Company						
A. Total amount of GLM given by the corporate name of the company.	TL	-	6.016.198	TL		15.424.743
B. Total amount GLM given on behalf of scope of overall consolidated association	-	-	-	-	-	-
C. Total amount of GLM given to 3th parties liabilities, in purpose of usual business operations (*)	EUR	26.666.662	67.085.322	EUR	31.111.104	63.749.763
D. Total amount of other GLM given	-		-	-		-
i. Total amount of GLM given on behalf of main shareholder	-		-	-		-
ii. Total amount of GLM given, on behalf of other group companies, excluding B and C	EUR USD TL	1.270.514 34.752.799	2.984.691 29.020.166 1.005.187	EUR USD	1.606.007 17.780.889	3.290.870 27.488.830
iii. Total amount of GLM given on behalf of 3th parties, excluding C	-	-	-	-	-	-
Total			73.101.520			79.174.506

(*) The amount of solidary suretyship given to banks for Razi acquisition by the name of consortium partners.

The rate of other GLM's Group given / shareholders equity is 7% as of 30 September 2011. (As of 31 December 2010:4%.)

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15. PROVISIONS, CONDITIONAL ASSETS AND LIABILITIES (Cont.)

Conditional Matters

The natural gas costs which has an important place in the production expenses of Razi Petrochemical Co. are invoiced on the basis of cubic meter price by the National Iranian Oil Company (“NIOC”). NIOC determines the natural gas prices in the month of March every year. NIOC decided on the date of 21st March 2010 that the price of the natural gas should be increased 15 times more than the original costs of Razi, and therefore NIOC realized the invoicing on the basis of this amount. Razi objected to this application and did not record the liability of TRL 132,000,000, which is the effect of the price that was required. As from the report date the disagreement on the natural gas prices has been continuing. The Group’s management did not reserve any provisions regarding this amount in the consolidated financial statements because the subject process with respect to NIOC has been continuing, and at the same time the Group’s management foresees no possibility of cash outflow with respect to this liability. The government of Islamic Republic of Iran rearranged the natural gas prices on the date of 19th December 2010, and increased the cubic meter unit price seven times more than the original costs of Razi. All the invoicing starting from the date of 19th December 2010 are realized on the basis of this new amount.

Razi raised an objection to related authorities about aforementioned debate. As a conclusion, competent authority for natural gas unit price decided to define a new price for period March 21th – December 19th, 2010. Process and implementation period for this declaration hasn’t yet been completed. Groups’ management allocates provision amount of 6.074.262 TL over new price.

The corporate tax declarations of Razi for the years 2006, 2007, and 2008 have been examined by tax authorities of the Islamic Republic of Iran. As a result of this examination it has been found that there are some exceptional revenues exempt from taxation in the tax accounts of the exports realized by Razi. And therefore, the Tax Authority has accepted that these revenues must be subject to taxation, and so, they imposed taxes of TRL 24 million. The Group’s management objected to this additional tax requirement, in line with the opinions of their legal advisors and tax specialists they did not reserve any provisions depending on the fact that the final legal process has not been completed yet and that there are some ambiguities with respect to the subject matter.

The embargoes and sanctions imposed on Iran by the United Nations since 2010 may effect the future operations of the Group’s partnership in this country. The economic stability and permanence of the Islamic Republic of Iran depends on the measurements that will be taken by the government against these sanctions, and it also depends on the effects of legal, administrative, and political developments to occur. These developments are not under the control of the companies operating in the country. As a result, the companies that have operations in this counTRL have to consider and take some risks that are not observed in other countries. The enclosed consolidated financial statements include some assumptions about the effects of the sanctions imposed on Iran Islamic Republic and on the operations of the subject partnership of the Group in this country. The economic situation of the Islamic Republic of Iran in the future may be different from the assumptions of the Group’s management.

16. COMMITMENTS

Razis’ Stock Purchase

Regarding to Razis’ stocks trading agreement, all shares of Razi are put in pledge by Iranian Privatization Organisation until Group and other consortium members pay all of debts. Group and consortium members have agreed that they have no right to make any implement or change within period of pledge. Moreover, Group and consortium members gave right to Iran Privatization Organisation for selling or taking over companys’ shares without any condition if any contrary to the agreement like abusing companys’ rights and harm to collection of its receivables happens, with an unsubmitted notarised letter of attorney. Group and consortium members have no right for changing principal agreement of company, transferring and selling assets unless they pay all of debts or have written permission from Iranian Privatization Organization.

Forward Contracts

As of 30 September 2011, the company finalized 14 foreign currency purchasing contracts with financial institutions against currency exchange risk. The maturity date of the contracts was October 2011 and November 2011, and the total nominal value of contracts is US\$ 75.000.000.

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(As of 31 December 2010, the company finalized 10 foreign currency purchasing contracts with financial institutions against currency exchange risk. The maturity date of the contracts was January 2011, and the total nominal value of contracts is US\$ 28.500.000.)

16. COMMITMENTS (Cont.)

Operational Lease

The company has operational lease contracts amounting to a total of 36.460 TL (31 December 2010: 61.469 TL and 29.997 Euro). The future payment terms and amounts belonging to these transactions, which completely belong to vehicle leasing, are as follows:

Year	TL	
2011	10.080	
2012	24.480	
2013	1.900	
Total	36.460	

Purchasing Commitments

As of September 30, 2011, The Group given order the amount of USD 58,757,924, is planned to be imported raw materials and commodity purchase contracts (31 December 2010: USD 50,082,793).

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17. SALES AND COST OF SALES

Sales Revenue

	01.01.2011	01.07.2011	01.01.2010	01.07.2010
	30.09.2011	30.09.2011	30.09.2010	30.09.2010
Domestic Sales	936.911.453	311.883.239	633.204.128	231.133.391
Overseas Sales	590.582.695	256.666.163	339.754.285	93.238.564
Sales Returns (-)	(280.483)	(4.948)	(95.500)	(34.923)
Sales Discounts (-)	(5.556.482)	(2.432.874)	(3.420.850)	(2.017.260)
Other discounts from sales (-)	(518.977)	(49.935)	(3.075.653)	(534.087)
Net Sales	1.521.138.206	566.061.645	966.366.410	321.785.685

<u>Sales Amounts</u>						
			01.01.2011	01.07.2011	01.01.2010	01.07.2010
a)	Gübre Fabrikaları T.A.Ş.	Unit	30.09.2011	30.09.2011	30.09.2010	30.09.2010
	TSP Triple Super phosphate	Ton	15.284	3.407	35.611	5.489
	NPK Composite Fertilizer	Ton	432.558	165.448	338.851	147.786
	Urea	Ton	130.258	-16.964	124.429	15.731
	Ammonium Nitrate	Ton	155.063	15.002	155.931	9.193
	DAP	Ton	110.723	66.189	116.990	97.848
	Ammonium Sulfate	Ton	66.924	7.000	63.094	7.754
	CAN	Ton	132.457	10.126	120.382	9.913
	Potassium Sulfate	Ton	5.329	482	2.133	153
	Map	Ton	279	104	188	71
	Other	Ton	36.108	35.546	654	-
	Total		1.084.983	286.340	958.263	293.938
	Liquid Fertilizer	Lt	823.983	98.713	611.080	229.557
	Powder Fertilizer	Kg	8.498.466	2.351.144	6.131.234	3.926.280
b)	Razi Co.	Unit	01.01.2011	01.07.2011	01.01.2010	01.07.2010
	Sulphur	Ton	278.069	104.226	254.569	66.424
	Ammonia	Ton	528.834	183.312	559.573	180.261
	Sulfuric Acid	Ton	102.238	25.411	96.810	43.609
	Urea	Ton	295.383	85.822	254.439	80.998
	Dap	Ton	19.972	0	3.656	-
	Total		1.224.496	398.771	1.169.047	371.292

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17. SALES AND COST OF SALES (Cont.)

Cost of Sales (-)

	01.01.2011	01.07.2011	01.01.2010	01.07.2010
	30.09.2011	30.09.2011	30.09.2010	30.09.2010
Cost of Goods Produced	598.169.680	211.250.634	337.697.462	127.912.410
Change in the goods inventory	(23.111.598)	(221.827)	(15.987.718)	(2.873.359)
-Goods at the beginning of the period	31.336.899	54.226.670	16.453.697	-
- Goods at the end of the period	(54.448.497)	(54.448.497)	(32.485.984)	(3.014.096)
Cost of Goods Sold	575.058.081	211.028.806	321.665.175	124.898.313
-Merchandise inventories at the beginning of the period	96.325.038	53.523.383	47.439.414	(5.260.912)
-Purchases	517.340.433	231.471.120	338.088.309	144.775.547
- Merchandise inventories at the end of the period	(120.092.760)	(120.092.760)	(80.981.432)	(39.585.820)
Cost of Merchandise Sold	493.572.711	164.901.743	304.546.291	99.928.815
Cost of Other Sales	228.949	55.929	1.178.578	290.878
Total Cost of Sales	1.068.859.741	375.986.478	627.390.045	225.118.006

<u>Production Amounts</u>					
		01.01.2011	01.07.2011	01.01.2010	01.07.2010
		30.09.2011	30.09.2011	30.09.2010	30.09.2010
a) Gübre Fabrikaları T.A.Ş.	Unit				
TSP Triple Superphosphate	Ton	77.700	22.680	94.600	30.640
NPK Compound Fertilizer	Ton	302.542	104.886	283.639	112.052
Total	Ton	380.242	127.566	378.239	142.692
Liquid Fertilizer	Lt	608.115	114.733	392.013	62.483
Powder Fertilizer	Kg	1.567.218	174.294	806.824	281.255
		01.01.2010	01.07.2010	01.01.2010	01.07.2010
b) Razi Co.	Unit	30.09.2011	30.09.2011	30.09.2011	30.09.2010
Sulphur	Ton	292.280	89.643	313.408	102.399
Ammonia	Ton	735.831	244.605	751.928	247.045
Sulphuric Acid	Ton	101.244	26.620	108.508	49.093
Urea	Ton	336.438	107.105	251.791	66.370
Dap	Ton	21.395	0	18.777	18.777
Total	Ton	1.487.188	467.973	1.444.412	483.684

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18. FINANCIAL INCOMES

	01.01.2011	01.07.2011	01.01.2010	01.07.2010
	30.09.2011	30.09.2011	30.09.2010	30.09.2010
Interest incomes / delayed interest incomes	21.608.577	3.510.694	10.247.855	3.436.799
Foreign exchange profits	40.980.372	29.532.981	56.456.913	22.185.813
Rediscount on interest gain	2.429.688	437.287	-	-
Other financial incomes	25.625	0	2.093.961	2.051.747
Total	65.044.262	33.480.962	68.798.729	27.674.359

19. FINANCIAL EXPENSES (-)

	01.01.2011	01.07.2011	01.01.2010	01.07.2010
	30.09.2011	30.09.2011	30.09.2010	30.09.2010
Borrowing Costs (-)	(138.302.173)	(62.647.154)	(58.805.052)	(10.315.302)
Short Term	(78.817.394)	(29.576.238)	(24.427.337)	(3.654.561)
Foreign Exchange Differences	(56.596.490)	(18.151.375)	(9.817.307)	(1.949.943)
Interest Rate	(22.220.904)	(11.424.863)	(14.610.030)	(1.704.618)
Long Term	(59.484.779)	(33.070.916)	(34.377.715)	(6.660.741)
Foreign Exchange Differences	(33.408.764)	(25.572.968)	(10.693.740)	0
Interest Rate	(26.076.015)	(7.497.948)	(23.683.975)	(6.660.741)
Purchase delay interest	(6.844.514)	(2.431.909)	(8.490.302)	(5.346.453)
Foreign Exchange Loss (-)	(62.790.427)	(50.010.771)	(8.770.280)	(2.589.904)
Rediscounted interest expense (-)	(1.999.699)	879.164	(1.095.525)	163.247
Total	(209.936.813)	(114.210.670)	(77.161.159)	(18.088.412)

20. EARNINGS PER SHARE

The weighted average of the shares and profit per share calculations of the company as of 30 September 2011 and 31 December 2010 are as follows.

	01.01.2011	01.07.2011	01.01.2010	01.07.2010
	30.09.2011	30.09.2011	30.09.2010	30.09.2010
Net Profit / (loss) of the period	54.120.182	26.995.431	121.980.399	46.988.309
Number of weighted average shares	83.500.000	83.500.000	83.500.000	83.500.000
Profit/ loss per share (TL)	0,6482	0,3233	1,4608	0,5627

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21. STATEMENTS OF RELATED PARTIES

Transactions realized with related parties within the period

Trade receivables and payables

Trade Receivables (Main Shareholder)	30.09.2011	31.12.2010
Agricultural Credit Coop. Central Union	166.073.492	42.640.090
Total	166.073.492	42.640.090
Other Receivables (Minority Share)	30.09.2011	31.12.2010
Minority Shares	58.518.905	76.869.564
Total	58.518.905	76.869.564
Trade Payables (Affiliates)	30.09.2011	31.12.2010
Tarkim Bitki Koruma San.ve Tic.A.Ş.	21.735	-
Negmar Denizcilik A.Ş.	484	-
Tarnet A.Ş.	-	4.038
Etis Lojistik A.Ş. (*)	6.590.605	-
Total	6.612.823	4.038

Average maturity of sales to Turkish Agricultural Credit Cooperatives Central Union are 15 days, there aren't any interest rate implemented. Other receivables are amount of Razi's receivables paid to Iranian Privatization Organization on behalf of minority shares, and also owed amount of minority shares.

(*) Our affiliate Negmar Denizcilik A.Ş owns 99,99% of Etis Lojistik A.Ş.

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21. STATEMENTS OF RELATED PARTIES (Cont.)

Sales – Purchases

Sales (Main Shareholder)	Type	30.09.2011	30.09.2010
Agricultural Credit Coop. Central Union	Goods	708.481.096	370.687.020
Sales (Affiliates)			
Tarkim Bitki Koruma San.ve Tic.A.Ş.	Goods	178.878	1.219.887
Negmar Denizcilik A.Ş.	Service	-	13.820
Etis Lojistik A.Ş.(*)	Service	1.157.230	-
Total		709.817.204	371.920.727
Purchases (Main Shareholder)			
Tarım Kredi Koop.Merkez Birliği	Service	634.205	-
Purchases (Affiliates)			
Tarkim Bitki Koruma San.ve Tic.A.Ş.	Goods	324.614	371.889
Negmar Denizcilik A.Ş.	Service	6.817.022	6.043.590
Tarnet A.Ş.	Service	249.291	218.705
Etis Lojistik A.Ş.(*)	Service	57.926.581	-
Total		65.951.713	6.634.184

(*) Our affiliate Negmar Denizcilik A.Ş owns 99,99% of Etis Lojistik A.Ş. .

Benefits Provided to Top Management

The total benefits the company has provided to its top managers as of 30 September 2011 shown below table:

	30 September 2011		30 September 2010	
	Gübretaş	Razi	Gübretaş	Razi
Short term benefits to employees	905.353	1.096.568	835.488	808.917
Post employment benefits	-	-	-	-
Other long-term benefits	-	-	-	-
Dismissal benefits	-	-	-	-
Stock based payments	-	-	-	-
Toplam	905.353	1.096.568	835.488	808.917

22. THE CHARACTERISTICS AND THE LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS

Receivables and payables of Razi which have been consolidated on Gübretaş financial statements and not been subjected to elimination are also indicated on foreign exchange position table.

Foreign exchange position table of the foreign asset and liabilities of the company in terms of original and Turkish Lira currency units as of 30 September 2011 and 31 December 2010 is as follows;

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22. THE CHARACTERISTICS AND THE LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (Cont.)

Foreign Exchange Position Table

Current Period (30.09.2011)	In TL (Functional currency)	US Dollar	EURO	Million IRR	YEN
1.Trade receivables	363.875.704	242.590	4.524.066	2.066.003	-
2a. Monetary financial assets (including cash, bank accounts)	152.978.295	2.473.607	25.435.127	495.078	2.715.101
2b.Non-monetary financial assets	-	-	-	-	-
3.Other	86.387.281	37.515.575	-	100.703	-
4.Current assets (1+2+3)	603.241.281	40.231.772	29.959.193	2.661.784	2.715.101
5. Trade receivables	-	-	-	-	-
6a. Monetary financial assets	-	-	-	-	-
6b. Non-monetary financial assets	-	-	-	-	-
7.Other	-	-	-	-	-
8.Fixed assets (5+6+7)	-	-	-	-	-
9.Total assets (4+8)	603.241.281	40.231.772	29.959.193	2.661.784	2.715.101
10.Trade payables	798.390.455	224.267.304	871.992	2.243.875	-
11.Financial liabilities	338.036.920	29.000.000	94.922.304	268.352	-
12a.Monetary other liabilities	91.972	30.187	14.417	-	-
12b. Non-monetary other liabilities	-	-	-	-	-
13.Short term liabilities (10+11+12)	1.136.519.348	253.297.491	95.808.712	2.512.227	-
14. Trade payables	97.272.003	-	-	570.845	-
15. Financial liabilities	81.087.396	-	32.232.538	-	-
16a. Monetary other liabilities	-	-	-	-	-
16b. Non-monetary other liabilities	-	-	-	-	-
17. Long term liabilities (14+15+16)	178.359.399	-	32.232.538	570.845	-
18.Total liabilities (13+17)	1.314.878.747	253.297.491	128.041.250	3.083.072	-
19.Net Asset/ (liability) position of off-balance sheet derivative financial instruments over foreign currency (19a-19b)	-	-	-	-	-
19a. Amount of off-balance sheet derivative products having active character and over foreign currency	138.397.500	75.000.000	-	-	-
19b. Amount of off-balance sheet derivative products having passive character and over foreign currency	138.397.500	75.000.000	-	-	-
20. Net Foreign Exchange Asset/ (liability) Position (9-18+19)	(711.637.466)	(213.065.718)	(98.082.057)	(421.289)	2.715.101
21.Monetary items net foreign exchange asset/ (liability) position (IFRS 7.B23 (=1+2a+5+6a-10-11-12a-14-15-16a)	(798.024.747)	(250.581.293)	(98.082.057)	(521.992)	2.715.101
22.Total fair value of financial instruments used in foreign currency hedge	-	-	-	-	-
23.Amount of hedged portion of foreign currency assets	-	-	-	-	-
24. Amount of hedged portion of foreign currency liabilities	-	-	-	-	-
25.Export	681.580.137	359.747.432	7.051.000	-	-
26.Import	532.704.983	281.380.660	5.355.667	-	-

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22. THE CHARACTERISTICS AND THE LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (Cont.)

Previous Period (31.12.2010)	In TL (Functional currency)	US Dollar	EURO	Million IRR
1.Trade receivables	268.821.237	10.671.521	10.866.498	1.454.792
2a. Monetary financial assets (including cash, bank accounts)	148.121.421	38.535.519	8.092.552	485.310
2b.Non-monetary financial assets	-	-	-	-
3.Other	-	-	-	-
4.Current assets (1+2+3)	416.942.658	49.207.040	18.959.050	1.940.102
5. Trade receivables	12.825.904	-	-	86.603
6a. Monetary financial assets	-	-	-	-
6b. Non-monetary financial assets	-	-	-	-
7.Other	-	-	-	-
8.Fixed assets (5+6+7)	12.825.904	-	-	86.603
9.Total assets (4+8)	429.768.562	49.207.040	18.959.050	2.026.705
10.Trade payables	415.192.224	252.974.790	894.481	150.306
11.Financial liabilities	250.417.677	-	104.669.416	242.671
12a.Monetary other liabilities	324.811.799	300.867	8.463	2.189.935
12b. Non-monetary other liabilities	-	-	-	-
13.Short term liabilities (10+11+12)	990.421.700	253.275.657	105.572.360	2.582.912
14. Trade payables	-	-	-	-
15. Financial liabilities	65.973.218	-	32.196.192	-
16a. Monetary other liabilities	107.910.736	-	-	728.634
16b. Non-monetary other liabilities	-	-	-	-
17. Long term liabilities (14+15+16)	173.883.954	-	32.196.192	728.634
18.Total liabilities (13+17)	1.164.305.654	253.275.657	137.768.552	3.311.546
19.Net Asset/ (liability) position of off-balance sheet derivative financial instruments over foreign currency (19a-19b)	-	-	-	-
19a. Amount of off-balance sheet derivative products having active character and over foreign currency	44.061.000	28.500.000	-	-
19b. Amount of off-balance sheet derivative products having passive character and over foreign currency	-	-	-	-
20. Net Foreign Exchange Asset/ (liability) Position (9-18+19)	(734.537.092)	(204.068.617)	(118.809.502)	(1.284.841)
21.Monetary items net foreign exchange asset/ (liability) position (IFRS 7.B23 (=1+2a+5+6a-10-11-12a-14-15-16a)	(734.537.092)	(204.068.617)	(118.809.502)	(1.284.841)
22.Total fair value of financial instruments used in foreign currency hedge	-	-	-	-
23.Amount of hedged portion of foreign currency assets	-	-	-	-
24. Amount of hedged portion of foreign currency liabilities	-	-	-	-
25.Export	480.204.750	330.390.077	-	-
26.Import	642.310.869	403.818.554	8.787.948	-

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22. THE CHARACTERISTICS AND THE LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (Cont.)

Gübretaş's and fully consolidated Razi's assets and liabilities, which are in foreign exchange other than TL that is reporting currency unit, have been evaluated in foreign exchange and indicated in the tables.

In the years ending on 30 September 2010 and 31 December 2010, in case there is a (+)/(-)10% change in foreign exchange rates when the other variables are kept fixed according to the net foreign exchange position on the balance sheet of the company, the change on the pre-tax profit is as follows:

- Foreign Exchange Rate Sensitivity Analysis Table

	Current Period (30.09.2011)		Previous Period (31.12.2010)	
	Profit / Loss		Profit / Loss	
	Foreign Currency Appreciation	Foreign Currency Depreciation	Foreign Currency Appreciation	Foreign Currency Depreciation
In case US Dollar currency change by 10 percent:				
1- Net asset/liability of US dollar	(39.317.017)	39.317.017	(31.549.008)	31.549.008
2- Value secured against US dollar (-)			-	-
3- Net Effect of US dollar (1+2)	(39.317.017)	39.317.017	(31.549.008)	31.549.008
In case Euro currency appreciates/ depreciates by 10 percent:				
4- Net asset/liability of Euro	(24.674.503)	24.674.503	(24.345.255)	24.345.255
5- Value secured against Euro (-)			-	-
6- Net Effect of Euro (4+5)	(24.674.503)	24.674.503	(24.345.255)	24.345.255
In case Iranian Riyal currency appreciates/depreciates by 10 percent:				
7- Net asset/liability of Iranian Riyal	(7.178.757)	7.178.757	(19.028.499)	19.028.499
8- Value secured against Iranian Riyal (-)			-	-
9- Net Effect of Iranian Riyal (7+8)	(7.178.757)	7.178.757	(19.028.499)	19.028.499
12- Net effect of other foreign currencies (7+8)	6.531	(6.531)	1.469.053	(1.469.053)
TOTAL (3+6+9+12)	(71.163.747)	71.163.747	(73.453.709)	73.453.709

23. EVENTS AFTER BALANCE SHEET DATE

None.