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# FIRST 9 MONTHS OF 2012 OPERATING REVIEW REPORT

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## I. INTRODUCTION

### A. REPORTING PERIOD

01.01.2012 - 30.09.2012

### B. CORPORATE'S NAME

Gübre Fabrikaları Türk Anonim Şirketi (Gübretaş)

### C. BOARD OF DIRECTORS

Title	Name	Start date of employment
Chairman	Abdullah KUTLU	19.04.2011
Vice Chairman	Necdet DİRİK	25.10.2005
Member	Dr. Erol DEMİR	10.04.2009
Member	Ahmet BOYRAZ	26.04.2012
Member	Ali SARI	31.07.2012
Member	Hamdi GÖNÜLLÜ	20.09.2012
Member	Osman BALTA	01.02.2012
Independent Member	Prof. Dr. Lokman DELİBAŞ	26.04.2012
Independent Member	İsmail TEKİN	26.04.2012

Quitted during the period:

Title	Name	Start date of employment	End date of employment
Member	Mehmet KOCA	30.12.2005	31.01.2012
Member	Naci BEDİR	26.04.2012	31.07.2012
Member	Sertaç GÜRSOY	26.04.2012	20.09.2012

#### D. BOARD OF AUDITORS

Title	Name	Start date of employment
Member	Bülent İŞKÜR	13.06.2011
Member	Namık Kemal BAYAR	10.04.2009

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. TOP MANAGEMENT

Title	Name	Start date of employment
General Manager	Osman BALTA	01.02.2012
Assistant General Manager (Administration & Financing)	Ferhat ŞENEL	09.02.2004
Assistant General Manager (Sales & Marketing)	Tahir OKUTAN	20.01.2006
Assistant General Manager (Supply Chain & Purchasing)	İsmail BABACAN	22.06.2009
Assistant General Manager (Facilities)	Yakup GÜLER	01.03.2012

#### F. CAPITAL STRUCTURE

As of 30.09.2012 registered capital of the company is 200.000.000 TRL and issued capital is 83.500.000 TRL.

**Table 1 : CAPITAL STRUCTURE**

Shareholders	Amount of Share-TRL	Share
Central Union of Turkish Agricultural Credit Cooperatives	63.421.152	75,95%
Other	20.078.848	24,05%
<b>Total</b>	<b>83.500.000</b>	<b>100,00%</b>

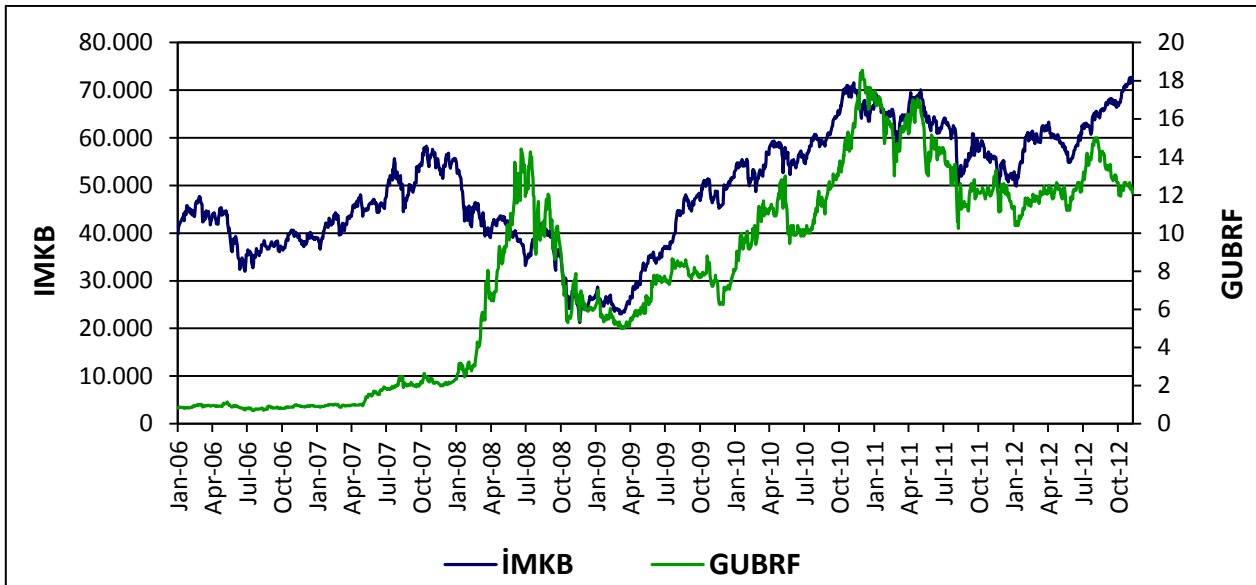
## G. AFFILIATES AND SUBSIDIARIES

Table 2 : AFFILIATES AND SUBSIDIARIES

Company Name	Partnership Type	Share %	Amount of Share-TL
Razi Petrochemical Co.	Affiliate	48,88	424.807.554
Negmar Denizcilik Yatırım A.Ş.	Subsidiary	40,00	12.000.000
Tarkim Bitki Koruma San. ve Tic. A.Ş.	Subsidiary	40,00	6.400.000
Tarnet Tar. Kre.Bil .Hiz.San Tic .A.Ş.	Subsidiary	17,00	523.627
İmece Pref. Yapı Tar.Mak.Tmz.Güv. Hiz.San.Tic.A.Ş.	Subsidiary	15,00	2.013.888

## H. PERFORMANCE OF THE STOCK

Graph 1 : PERFORMANCE OF THE STOCK



## II. TURKISH FERTILIZER INDUSTRY

### A. PRODUCTION

Fertilizer production was 2.887.424 tons in first nine months of 2011, it decreased by 3,28% to 2.792.618 tons in first nine months of 2012. 38% of total production was compound fertilizers.

**Table 3 : SECTOR PRODUCTION BY PRODUCT-TON**

Product	2012/9M	2011/9M	Change
COMPOUND	1.060.012	1.054.174	0,55%
AN	442.315	194.195	127,77%
UREA	349.704	397.778	-12,09%
CAN	485.450	763.623	-36,43%
AS	177.185	140.004	26,56%
DAP	187.672	259.950	-27,80%
TSP	90.280	77.700	16,19%
<b>TOTAL</b>	<b>2.792.618</b>	<b>2.887.424</b>	<b>-3,28%</b>

## B. SALES

According to 9M2012 data, fertilizer consumption was 4.179.953 tons recording a 10,07% increase while in the same period of the previous year it was 3.797.458 tons. Moreover our sales increased by 3,13% and our market share in first nine months of 2012 was 26,59% while it was 28,54% in first nine months of 2011. As of September 30, 2012 exports decreased by 36% to 262.105 tons and imports increased by 15% to 1.658.792 tons.

**Table 4 : SECTOR SALES BY PRODUCT**

Product	2012/9M	2011/9M	Change
COMPOUND	1.178.243	1.140.152	3,34%
AN	836.822	713.169	17,34%
UREA	699.381	644.054	8,59%
CAN	709.058	637.760	11,18%
AS	421.946	367.573	14,79%
DAP	320.706	276.282	16,08%
TSP	13.797	18.469	-25,30%
P.NITRATE	23.436	25.957	-9,71%
P.SULPHATE	11.670	15.344	-23,95%
<b>TOTAL</b>	<b>4.179.953</b>	<b>3.797.458</b>	<b>10,07%</b>

### III. GÜBRE FABRİKALARI T.A.Ş. ACTIVITIES

There are seven regional sales directorates throughout Turkey. Gübretaş sells to every corner where there is agricultural production via 2.611 dealers, 1.679 of which belongs to Turkish Agricultural Credit Cooperatives and 932 to Gübretaş itself.

#### A. PRODUCTION

Gübretaş produced 90.280 tons TSP and 275.872 tons Compound fertilizers totaling 366.152 tons in first nine months of 2012. 1.123 tons of liquid fertilizer and 1.469 tons of powder fertilizer were produced.

Solid Fertilizer production decreased by 3,71% in 2012 comparing to 2011. Total Fertilizer production including solid, liquid and powder decreased by 3,57% in 2012 comparing to 2011.

294.505 tons of production sold, 71.647 tons of production were used as raw material. Capacity utilisation rate was 71% in first nine months of 2012.

**Table 5 : PRODUCTION BY PRODUCT-TON**

Product	2012/9M	2011/9M	Change
TSP	90.280	77.700	16,19%
25.5.10/23.12.9	31.904	26.298	21,32%
12.30.12/13.24.12	17.782	56.132	-68,32%
15.15.15 ZN	23.399	32.421	-27,83%
20.20.0	38.507	41.282	-6,72%
20.20.0 ZN	86.249	91.676	-5,92%
Other	78.031	54.733	42,57%
<b>TOTAL</b>	<b>366.152</b>	<b>380.242</b>	<b>-3,71%</b>
Liquid Fertilizer	1.123	603	86,24%
Powder Fertilizer	1.469	1.567	-6,25%
<b>GRAND TOTAL</b>	<b>368.744</b>	<b>382.412</b>	<b>-3,57%</b>

#### B. SALES AND PURCHASES

Our Company sold 1.117.274 tons of solid, 1.186 tonnes of liquid and 10.063 tons of powder fertilizer in first nine months of 2012. In first nine months of 2011, 1.084.983 tons of solid, 823 tons of liquid, 8.498 tons of powder fertilizer were sold. The volume of purchases

reached 964.758 tons in first nine months of 2011, and it increased by 7,02% to 1.032.499 tons in first nine months of 2012. Export was 1.284 tons in first nine months of 2011, while it was 5.805 tons in first nine months of 2012.

**Table 6 : SALES, IMPORT AND DOMESTIC PURCHASES-TON**

	2012/9M	2011/9M	Change
Domestic Purchases	261.225	269.007	-2,89%
Import	771.274	695.751	10,85%
<b>Total Purchases</b>	<b>1.032.499</b>	<b>964.758</b>	<b>7,02%</b>
<b>Sales</b>	<b>1.117.274</b>	<b>1.084.983</b>	<b>2,98%</b>

**Table 3 : SALES BY PRODUCT GROUPS-TON**

Fertilizer	2012/9M	2011/9M	Change
20.20.0	124.502	130.512	-4,60%
25.5.10/23.12.9	36.426	26.217	38,94%
15.15.15	45.800	60.153	-23,86%
15.15.15 Zn	28.256	30.506	-7,37%
12.30.12/13.24.12	21.219	55.026	-61,44%
20.20.0 Zn	87.164	91.156	-4,38%
Other Compound	69.893	54.273	28,78%
AN	190.328	155.063	22,74%
CAN	156.369	132.258	18,05%
UREA	112.028	130.258	-13,99%
AS	84.165	66.924	25,76%
GR.UREA	43.139	35.418	21,80%
DAP	114.391	110.723	3,31%
Other	3.593	6.299	-42,96%
<b>Total Fertilizer</b>	<b>1.117.274</b>	<b>1.084.983</b>	<b>2,98%</b>
<b>Liquid Fertilizer</b>	<b>1.186</b>	<b>823</b>	<b>44,11%</b>
<b>Powder Fertilizer</b>	<b>10.063</b>	<b>8.498</b>	<b>18,42%</b>
<b>Grand Total</b>	<b>1.128.523</b>	<b>1.094.304</b>	<b>3,13%</b>



**Table 8 : SALES BY CUSTOMER TYPES-TON**

Sales Group	2012/9M	2011/9M	Change
Corporate Sales	814.975	795.185	2,49%
Vendor Sales	277.303	229.299	20,94%
Export	5.805	1.284	352,10%
Other	19.191	59.215	-67,59%
<b>Total</b>	<b>1.117.274</b>	<b>1.084.983</b>	<b>2,98%</b>

### C. INVESTMENTS

**Table 9 : INVESTMENTS-TRL**

Investment	Amount
Ongoing Investments	2.844.276
Other	73.383.935
<b>Total</b>	<b>76.228.211</b>

### D. RESEARCH AND DEVELOPMENT ACTIVITIES

#### Turkey Soil Productivity Map

Studies aiming to form Turkish soil fertility map within the framework of Soil Map Project is continued. GPS device is used for position detection and analyses from a total 4.580 locations were completed.

#### Product Development and Quality Studies

Gübretaş Yarımca Laboratory found competent according to Turkish Standards Institution Subcontractor Laboratory Criterion and the other relevant TSI regulations, related with tests stated in the scope.

## Number of Personnel

**Table 10 : Personnel Status**

PERSONNEL	2012/9M	2011/9M	Change
Head Office	89	86	3,49%
Yarımca Facilities	263	259	1,54%
Regional Sales Directorates	68	60	13,33%
<b>TOTAL</b>	<b>420</b>	<b>405</b>	<b>3,70%</b>

## Training Activities

Training activities are aimed at developing managerial, personal and professional capabilities of the staff. Education activities of 7.811 hours with participation of 587 employees were carried out in first nine months of 2012.

## IV. ACTIVITIES OF RAZİ PETROCHEMICAL CO.

### A. PRODUCTION

**Table 11 : RAZİ PETROCHEMICAL CO. PRODUCTION-TON**

Product	2012/1H	2011/1H	Change	Capacity	CUR
Ammonia	509.270	735.831	-30,79%	1.336.500	50,81%
Urea	231.837	336.438	-31,09%	594.000	52,04%
Sulphur	259.876	292.280	-11,09%	508.000	68,21%
Sulphuric Acid	80.075	101.244	-20,91%	627.000	17,03%
DAP	0	21.395	-	450.000	-
Phosphoric Acid	66	0	-	255.000	0,03%
<b>Total</b>	<b>1.081.124</b>	<b>1.487.188</b>	<b>-27,30%</b>	<b>3.770.500</b>	<b>%38</b>

In first nine months of 2012 1.081.124 tons of fertilizer and fertilizer raw materials produced, capacity utilization rate was 38%.

## B. SALES

In first nine months of 2012, 962.657 tons of fertilizer sold and 758.702.857 TRL of revenue achieved.

**Table 12 : RAZİ PETROCHEMICAL CO. SALES-TON**

Product	2012/9M	2011/9M	Change
Ammonia	375.750	528.834	-28,95%
Urea	278.072	295.383	-5,86%
Sulphur	228.574	278.069	-17,80%
Sulphuric Acid	78.675	102.238	-23,05%
Phosphoric Acid	1.586	0	-
DAP	0	19.972	-
<b>Total</b>	<b>962.657</b>	<b>1.224.496</b>	<b>-21,38%</b>

Razi Petrochemical Co. exported 764.861 tons, domesticly sold 197.796 tons in first nine months of 2012. Share of export in total sales was 79%.

## V. CONCLUSION

### DEAR SHAREHOLDERS,

366.152 tonnes of various types of chemical fertilizer has been produced at our facilities in first nine months of 2012 and 71.647 tons of produced fertilizer have been used as raw material. 682.352 tonnes 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. 1.117.274 tons of solid, 1.186 tons of liquid and 10.063 tons of powder fertilizers has been sold. And net sale revenues realized as 963.149.350 TRL.

Also 1.081.124 tons of fertilizer has been produced, 758.702.857 TRL sale revenues has been got by sale of 962.657 tons of fertilizer and fertilizer raw material in our affiliated company Razi Petrochemical Co.

Our company reached to 1.700.839.539 TRL consolidated sales revenue. Beside this 1.331.240.423 TRL cost of goods sold, 167.696.487 TRL operation expenses, 152.435.194 TRL net financing income have been occurred. 361.615.745 TRL profit occurred before tax by adding 7.277.922 TRL other income and expense affect. 326.460.435 TRL net consolidated profit has been occurred after adding 3.280.427 TRL deferred tax and 31.874.883 TRL current period's tax and other legal liability provisions. 131.811.446 TRL main shareholder profit has been occurred after deducting 194.648.990 TRL shares of minority shareholders.

We would kindly like to ask you to evaluate the results mentioned above regarding our first nine months of 2012 activities.

**Best Regards,**

**BOARD OF DIRECTORS**

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

**CONSOLIDATED FINANCIAL STATEMENTS  
AND LIMITED AUDIT REVIEW REPORT**

**1 JANUARY – 30 SEPTEMBER 2012**

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**GÜBRE FABRİKALARI T.A.Ş. AND ITS SUBSIDIARY COMPANY  
CONSOLIDATED BALANCE SHEET AS OF 30 SEPTEMBER 2012**

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

		<b>Current Period</b>	<b>Previous Period</b>
		<b>Independent Observed</b>	<b>Independent Audited</b>
	<b>Note</b>	<b>30 September 2012</b>	<b>31 December 2011</b>
<b>ASSETS</b>			
<b>Current Assets</b>		<b>1.738.047.777</b>	<b>1.694.272.707</b>
Cash and Cash Equivalents	5	371.504.331	327.710.722
Financial Investments	6	36.407.709	-
Trade Receivables	8	671.035.165	574.509.287
- Trade receivables from related parties	22	222.286.270	228.271.654
- Other trade receivables	8	448.748.895	346.237.633
Other Receivables	9	163.880.140	169.924.819
- Other receivables from related parties		60.625.017	106.360.030
- Other receivables	9	103.255.123	63.564.789
Inventories	10	403.764.495	534.856.904
Other Current Assets		91.455.937	87.270.975
<b>Fixed Assets</b>		<b>1.143.685.442</b>	<b>1.273.230.864</b>
Other receivables	9	15.237.985	21.946.753
Financial Investments	6	2.737.515	2.737.515
Investments Valued by Equity Method	11	8.544.628	10.941.724
Investment Properties	12	61.749.595	61.749.595
Tangible Fixed Assets	13	784.303.300	876.498.158
Intangible Fixed Assets	14	364.769	270.331
Goodwill	15	252.502.762	279.484.282
Deferred Tax Assets		5.421.972	5.522.137
Other Fixed Assets		12.822.916	14.080.368
<b>TOTAL ASSETS</b>		<b>2.881.733.219</b>	<b>2.967.503.571</b>

Added remarks are component parts of the financial statements

**GÜBRE FABRİKALARI T.A.Ş. AND SUBSIDIARY COMPANY**  
**CONSOLIDATED BALANCE SHEET AS OF 30 SEPTEMBER 2012**

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

		<b>Current Period</b>	<b>Previous Period</b>
		<b>Independent Observed</b>	<b>Independent Audited</b>
	<b>Note</b>	<b>30 September 2012</b>	<b>31 December 2011</b>
<b>LIABILITIES</b>			
<b>Short-term Liabilities</b>		<b>1.533.254.421</b>	<b>1.506.890.189</b>
Financial Liabilities	7	549.094.816	470.379.230
Trade payables	8	708.851.973	799.062.959
- Payables to related parties	22	4.182.344	6.587.996
- Other trade payables	8	704.669.629	792.474.963
Other Payables	9	148.041.641	136.166.006
Provisions for Employee Benefits		15.787.026	16.142.943
Provisions for Payables	16	64.088.171	63.062.977
Tax Liability for Current Period Profit		44.031.067	17.125.727
Other short term Liabilities		3.359.727	4.950.347
<b>Long-term Liabilities</b>		<b>224.338.808</b>	<b>258.998.473</b>
Financial Liabilities	7	103.498.325	99.287.100
Other Payables	9	-	40.754.944
Provisions for Employee Benefits		117.560.056	116.420.468
Deferred Tax Liabilities		3.280.427	2.535.961
<b>EQUITY CAPITAL</b>		<b>1.124.139.990</b>	<b>1.201.614.909</b>
<b>Equities of Parent Company</b>		<b>670.785.818</b>	<b>664.238.132</b>
Paid-in Capital		83.500.000	83.500.000
Value Appreciation Funds		145.133.540	145.133.540
Foreign Currency Adjustments		13.527.641	138.791.401
Restricted Reserves From Profit		10.863.518	9.051.867
<i>Legal Reserves</i>		<i>9.533.275</i>	<i>7.721.624</i>
<i>Gains From Fixed Assets Accumulated Profit / Loss</i>		<i>1.330.243</i>	<i>1.330.243</i>
Previous Years Profit / (Loss)		285.949.673	157.766.115
Net Period Profit / (Loss)		131.811.446	129.995.209
<b>Minority Shares</b>		<b>453.354.172</b>	<b>537.376.777</b>
<b>TOTAL LIABILITIES</b>		<b>2.881.733.219</b>	<b>2.967.503.571</b>

Added remarks are component parts of the financial statements.



**GÜBRE FABRİKALARI T.A.Ş. AND ITS SUBSIDIARY COMPANY  
COMPREHENSIVE CONSOLIDATED INCOME STATEMENT  
FOR YEAR THAT ENDED AS OF 30 SEPTEMBER 2012**

(Amounts are expressed in Turkish Lira unless otherwise stated.)

		Current Period		Previous Period	
		Independent	Independent	Independent	Independent
		Observed	Observed	Observed	Observed
	Note	1 January – 30 September 2012	1 July – 30 September 2012	1 January – 30 September 2011	1 July – 30 September 2011
<b>CONTINUING OPERATIONS</b>					
Sales (net)	18	1.700.839.539	564.475.095	1.521.138.206	566.061.645
Costs of Sales (-)	18	(1.331.240.423)	(368.219.184)	(1.068.859.740)	(375.986.477)
<b>GROSS PROFIT</b>		<b>369.599.116</b>	<b>196.255.911</b>	<b>452.278.465</b>	<b>190.075.167</b>
Marketing, Sales and Distribution Expenses (-)		(109.622.801)	(36.039.851)	(80.773.684)	(33.088.895)
Administrative Expenses (-)		(58.073.686)	(19.418.760)	(37.122.818)	(13.553.426)
Other Operating Incomes		20.188.692	13.489.743	43.895.946	29.620.667
Other Operating Expenses (-)		(12.910.770)	(11.193.056)	(17.125.860)	(7.927.971)
<b>OPERATION PROFIT</b>		<b>209.180.551</b>	<b>143.093.988</b>	<b>361.152.048</b>	<b>165.125.542</b>
Shares in Profit/Loss of Investments Valued by Equity Method	11	(2.397.096)	265.656	(4.444.515)	(2.938.268)
Financial Incomes	19	306.456.028	88.849.354	65.044.262	33.480.963
Financial Expenses (-)	20	(151.623.738)	(73.176.447)	(209.936.813)	(114.210.670)
<b>PRE-TAX PROFIT / LOSS FROM CONTINUING OPERATIONS</b>		<b>361.615.745</b>	<b>159.032.551</b>	<b>211.814.981</b>	<b>81.457.567</b>
<b>Tax Expenses on Continuing Operations</b>		<b>(35.155.310)</b>	<b>1.017.106</b>	<b>(14.923.243)</b>	<b>(26.695.412)</b>
- Period Tax Expense (-)		(31.874.883)	3.702.048	(4.196.312)	2.593.778
- Deferred Tax Income		(3.280.427)	(2.684.942)	(10.726.931)	(7.835.328)
<b>PERIOD PROFIT/ (LOSS)</b>		<b>326.460.435</b>	<b>160.049.657</b>	<b>196.891.738</b>	<b>91.886.673</b>
<b>PERIOD PROFIT/ (LOSS)</b>		<b>326.460.435</b>	<b>160.049.657</b>	<b>196.891.738</b>	<b>91.886.673</b>
<b>Distribution of Period Profit / (Loss)</b>					
Minority Shares		194.648.990	90.147.256	142.771.556	64.891.242
Parent Company's Shares		131.811.446	69.902.402	54.120.182	26.995.431
<b>Earnings / (Loss) Per Share</b>	21	<b>1,57858</b>	<b>0,83715</b>	<b>0,64815</b>	<b>0,32329</b>

Added remarks are component parts of the financial statements

**GÜBRE FABRİKALARI T.A.Ş. AND SUBSIDIARY COMPANY  
COMPREHENSIVE CONSOLIDATED INCOME STATEMENT  
FOR PERIOD THAT ENDED AS OF 30 SEPTEMBER 2012**

(Amount are expressed in Turkish Lira (“TL”) unless otherwise stated.)

		Current Period		Previous Period	
		Independent	Independent	Independent	Independent
		Observed	Observed	Observed	Observed
	Note	1 January – 30 September 2012	1 July – 30 September 2012	1 January – 30 September 2011	1 April – 30 September 2011
<b>ONGOING ACTIVITIES</b>					
<b>PERIOD PROFIT / (LOSS)</b>		<b>326.460.435</b>	<b>160.049.656</b>	<b>196.891.738</b>	<b>91.886.673</b>
- Change in Fixed Assets Value Appreciation		-	-	8.813.346	-
- Foreign Currency Adjustments		(170.437.560)	(18.664.541)	143.680.458	117.436.008
- Tax Incomes and Fiscal Charges Related to Other Comprehensive Income Items			-	(440.667)	-
<b>OTHER COMPREHENSIVE AFTER-TAX INCOME / (EXPENSE)</b>		<b>(170.437.560)</b>	<b>(18.664.541)</b>		
<b>TOTAL COMPREHENSIVE INCOME / (EXPENSE)</b>		<b>156.022.875</b>	<b>141.385.115</b>	<b>348.944.875</b>	<b>209.322.681</b>
<b>Distribution of Total Comprehensive Income / (Expense):</b>					
Minority Shares		149.475.188	88.614.718	208.975.267	124.922.089
Parent Company’s Shares		6.547.687	52.770.397	139.969.608	84.400.592
		<b>156.022.875</b>	<b>141.385.115</b>	<b>348.944.875</b>	<b>209.322.681</b>

Added remarks are component parts of the financial statements.

**GÜBRE FABRİKALARI T.A.Ş. AND SUBSIDIARY COMPANY**  
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR PERIOD ENDED 30 SEPTEMBER 2012**

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

Note	Paid-in Capital	Growth Funds	Foreign Currency Conversation Adjustments	Limited Provisions Segregated from profit	Gains from Fixed Asset Sales	Previous Years' Profits / Losses	Net Period Profit / Loss	Equities of Parent Company	Minority Shares	Total Equities
<b>1 January 2011</b>	<b>83.500.000</b>	<b>136.760.862</b>	<b>65.434.276</b>	<b>5.645.297</b>	<b>881.151</b>	<b>40.392.144</b>	<b>119.899.390</b>	<b>452.513.120</b>	<b>364.782.582</b>	<b>817.295.702</b>
Previous Year Profit / Transfer (at loss)	-	-	-	-	-	119.899.390	(119.899.390)	-	-	-
Gains from fixed asset sales	-	-	-	-	449.092	(449.092)	-	-	-	-
Dividends distributed to Minority shares	-	-	-	-	-	-	-	-	(134.273.860)	(134.273.860)
Total Comprehensive Income	-	8.372.678	77.476.748	-	-	-	27.154.751	55.569.016	84.053.178	139.622.194
<b>30 September 2011</b>	<b>83.500.000</b>	<b>145.133.540</b>	<b>142.911.024</b>	<b>5.645.297</b>	<b>1.330.243</b>	<b>159.842.442</b>	<b>27.154.751</b>	<b>508.082.136</b>	<b>314.561.900</b>	<b>822.644.036</b>
<b>1 January 2012</b>	<b>83.500.000</b>	<b>145.133.540</b>	<b>138.791.401</b>	<b>7.721.624</b>	<b>1.330.243</b>	<b>157.766.115</b>	<b>129.995.209</b>	<b>664.238.132</b>	<b>537.376.777</b>	<b>1.201.614.909</b>
Previous year profit / transfer	-	-	-	1.811.651	-	128.183.558	(129.995.209)	-	-	-
Dividends distributed to Minority shares	-	-	-	-	-	-	-	-	(233.497.795)	(233.497.795)
Total Comprehensive Income	-	-	(125.263.760)	-	-	-	131.811.446	6.547.687	149.475.188	156.022.875
<b>30 September 2012</b>	<b>83.500.000</b>	<b>145.133.540</b>	<b>13.527.641</b>	<b>9.533.275</b>	<b>1.330.243</b>	<b>285.949.673</b>	<b>131.811.446</b>	<b>670.785.818</b>	<b>453.354.172</b>	<b>1.124.139.990</b>

Added remarks are component parts of the financial statements.

**GÜBRE FABRİKALARI T.A.Ş. AND ITS SUBSIDIARY COMPANY  
CONSOLIDATED CASH FLOW STATEMENT FOR  
PERIOD THAT ENDED AS OF 30 SEPTEMBER 2012**

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

		<b>Independent Observed</b>	<b>Independent Observed</b>
<b>Cash Flow From Operations</b>	<b>Note</b>	<b>1 January - 30 September 2012</b>	<b>1 January - 30 September 2011</b>
Net period profit/ (loss)		326.460.435	196.891.738
<b>Amendments to make the net cash amount used in business operations be in accord with the net period profit / (loss)</b>			
Depreciation and Amortization		58.567.442	68.176.855
Incomes/Expenses from subsidiaries valued by Equity Method	11	2.397.096	4.444.515
Provisions for termination indemnities, permission and seniority-based incentives		41.940.056	43.360.803
Interest Income/ Expense		48.896.691	41.042.852
Provisions for termination indemnities, vacations		-	(161.555)
Exchange rate difference income / expense		(67.165.002)	126.696.345
Gain on sales of assets		-	(1.456.997)
Exchange Difference		(49.216.345)	10.803.343
Tax		35.155.310	14.923.243
Deferred Financial Income / Expense		(2.146.589)	(429.989)
Appreciation of investment properties		-	(1.580.000)
Provisions for Doubtful Receivable / Cancellation	8	(1.668.830)	-
<b>Cash flows resulted from the operations before the change in the capital</b>		<b>393.220.264</b>	<b>502.711.154</b>
<b>Changes in the capital of the company</b>			
Increase / Decrease in trade receivables		(39.211.125)	(326.704.894)
Increase / Decrease in other receivables		(48.613.834)	1.861.997
Increase / Decrease in Inventories		132.537.546	(136.166.608)
Increase / Decrease in Other Current / Fixed Assets		18.190.736	(5.535.866)
Increase / Decrease in commercial liabilities		(130.662.446)	126.850.677
Increase / Decrease in other liabilities		187.462.421	(83.651.682)
Increase / Decrease in Provisions for Liabilities		1.025.194	9.514.046
Increase / Decrease in Other Short-term and Long-term Liabilities		(1.590.617)	16.820.370
<b>Cash resulted from or used in the operations after the change in the capital</b>		<b>512.358.139</b>	<b>105.699.194</b>
Paid-up interest		(65.772.169)	(48.296.921)
Paid-up taxes		(28.523.584)	(2.089.965)
Paid-up termination indemnities		(23.024.756)	(20.645.298)
<b>Net cash used in operations</b>		<b>395.037.630</b>	<b>34.667.010</b>
<b>Cash flows used in investments</b>			
Purchase of Tangible and Intangible Asset		(23.477.395)	(22.573.241)
Cash gained from sales of tangible and intangible fixed assets	13	664.014	4.232.242
Equity increase payments of investments which assessed with equity method		25.030.357	14.098.581
Collected Interests	6	(36.407.709)	(10.200.000)
Financial Investment purchases		-	(212.500)
Subsidiary purchases		(27.440.332)	
Dividends paid for minority shares		(233.497.793)	(134.273.859)
<b>Cash used / gained from Investment activities</b>		<b>(295.128.859)</b>	<b>(148.928.777)</b>
<b>Cash Flows from financial activities</b>			
Cash Flow related to financial liabilities		43.448.783	72.534.968
Principal Repayment of Financial Liabilities		(99.563.953)	(14.993.910)
<b>Net Cash used / gained in financial activities</b>		<b>(56.115.171)</b>	<b>57.541.058</b>
Net increase/decrease in cash and cash equivalents		43.793.609	(56.720.707)
<b>Balance of Cash and Cash Equivalents at beginning of the year</b>	<b>5</b>	<b>327.710.722</b>	<b>212.432.811</b>
<b>Balance of Cash and Cash Equivalents at the period-end</b>	<b>5</b>	<b>371.504.331</b>	<b>155.712.104</b>

Added remarks are component parts of the financial statements.

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

## FOOTNOTES FOR FINANCIAL STATEMENTS FOR PERIOD THAT ENDED AS OF 30 SEPTEMBER 2012

(Amounts are expressed in Turkish Lira (“TL”) 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 partnerships. 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
Antalya Regional Directorate of Sales	Sales-Marketing

The Company and its subsidiaries have 1.399 employees as of 31 September 2012 (31 December 2011: 1.517)

% 25 out of the public shares of the Company is traded on İstanbul Stock Exchange (İMKB) and recorded 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 2012		31 December 2011	
	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
<b>TOTAL</b>	<b>100,00%</b>	<b>83.500.000</b>	<b>100,00%</b>	<b>83.500.000</b>

### Subsidiary Companies

Gübretaş participated in Razi Petrochemical Co. (“Razi”) which produces and sells both chemical fertilizer and raw materials used for chemical fertilizer in 24 May 2008. Gübretaş has %48,88 out of the capital of Razi as the balance sheet date (31 December 2010: %47,81). Gübretaş has right to assign 3 names for the 5-member executive committee of Razi. So Razi is considered as an 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 on Raintrade is 99% and Groups indirect share on Raintrade is 48,88%

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

## FOOTNOTES FOR FINANCIAL STATEMENTS FOR PERIOD THAT ENDED AS OF 30 SEPTEMBER 2012

(Amounts are expressed in Turkish Lira (“TL”) 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 participant rate is %40 as the balance sheet date. (31 December 2011: %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. (31 December 2011: %40).

#### Approval of Financial statements:

The financial statements were approved to be disclosed 16 November 2012 by the executive committee. The General Board is authorized to amend the consolidated 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.

Until TMSK declares the differences between IAS/IFRS adapted by EU and the standards by IASB; the financial statements drafted in line with CMB Series: XI, No: 29 Communiqué. Attached financial statements and the footnotes are submitted in accordance with obligatory formats declared by CMB on 17 April 2008 and 9 February 2009.

1<sup>st</sup> article of 2499 numbered law was cancelled with 660 numbered decree law which came into force upon publishing in 2 November 2011 dated official gazette, and public observation, accounting and audit standards institute (institution) was established. According to provisional 1<sup>st</sup> article of this decree law, applications of the current regulations about these subjects will continue until the standards and regulations become valid which will be published by the institution. Thus, the said situation does not make any change in certain accounting policies and preparation bases of financial tables which are explained in footnote of this consolidated financial tables by the issue date of the report.

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 ITS SUBSIDIARY COMPANY

## FOOTNOTES FOR FINANCIAL STATEMENTS FOR PERIOD THAT ENDED AS OF 30 SEPTEMBER 2012

(Amounts are expressed in Turkish Lira (“TL”) 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 June 2012.

Here are the rates used:

<u>Foreign Currency</u>	<u>30 September 2012</u>		<u>31 December 2011</u>	
	<u>End of Period</u>	<u>Grade Point Average</u>	<u>End of Period</u>	<u>Grade Point Average</u>
IRR	0,0001440	0,0001466	0,0001678	0,0001560

##### Significant Accounting Estimate

Central Bank of Iran Islam Republic has been applying a fixed exchange rate regime since 28 January 2012. All foreign currency transactions are accounted using the fixed exchange rate which differs significantly from the market exchange rates. The market exchange rate is 140% more than the fixed exchange rate as at the balance sheet date. Central Bank of Republic of Turkey use the fixed exchange rate when determining the indicative Turkish Lira and Iranian Riyal exchange rate. IAS 21 requires companies to use the rate that the future cash flows represented by the transaction or balance could have been settled if those cash flows had occurred at the measurement date. The Group management, considering the unreliability of the market rates and the uncertainty in determining the rate that the future cash flows will be settled has used the indicative rates published by Central Bank of Iran Islam Republic and Central Bank of Republic of Turkey. The effect of using market rates has been disclosed in Note 23.

##### 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.

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

## FOOTNOTES FOR FINANCIAL STATEMENTS FOR PERIOD THAT ENDED AS OF 30 SEPTEMBER 2012

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

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

#### 2.1 Principles Pertaining to Presentation (Cont.)

##### 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.

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.



**FOOTNOTES FOR FINANCIAL STATEMENTS FOR PERIOD THAT ENDED AS OF 30 SEPTEMBER 2012**

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

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

**2.2 Amendments in Accounting Policy**

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**

Financial assets and liabilities are indicated as net in cases that there is required legal right, there is intention to evaluate these assets and liabilities as “net” or owning the assets follows performing liabilities.

**2.5 Amendments in CMB Financial Reporting Standards**

**New and Revised International Financial Reporting Standards**

**a) New and Revised IFRSs affecting presentation and disclosure only**

None.

**b) New and Revised IFRSs affecting the reported financial performance and / or financial position**

None.

**c) New and Revised IFRSs applied with no material effect on the consolidated financial statements**

The following new and revised IFRSs have been adopted in these consolidated financial statements. The application of these new and revised IFRSs has not had any material impact on the amounts reported for the current and prior years but may affect the accounting for future transactions or arrangements.

**Amendments to IAS 12 *Deferred Taxes – Recovery of Underlying Assets***

The amendment is effective for annual periods beginning on or after 1 January 2012. IAS 12 requires an entity to measure the deferred tax relating to an asset depending on whether the entity expects to recover the carrying amount of the asset through use or sale. It can be difficult and subjective to assess whether recovery will be through use or through sale when the asset is measured using the fair value model in IAS 40 Investment Property. The amendment provides a practical solution to the problem by introducing a presumption that recovery of the carrying amount will, normally be, through sale. The amendment did not have any effect on the consolidated financial statements.

**FOOTNOTES FOR FINANCIAL STATEMENTS FOR PERIOD THAT ENDED AS OF 30 SEPTEMBER 2012**

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

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

**2.5 CMB Amendments in Financial Reporting Standards (Cont.)**

**IFRS 7 (Amendments) “Financial Instruments: – “Transfer of financial assets”**

The amendments to IFRS 7 increase the disclosure requirements for transactions involving transfers of financial assets. These amendments are intended to provide greater transparency around risk exposures when a financial asset is transferred but the transferor retains some level of continuing exposure in the asset. The amendments also require disclosures where transfers of financial assets are not evenly distributed throughout the period.

The group management does not anticipate that these amendments to IFRS 7 will have a significant effect on the Group’s disclosures. However, if the Group enters into other types of transfers of financial assets in the future, disclosures regarding those transfers may be affected.

**d) New and Revised IFRSs in issue but not yet effective**

The Group has not applied the following new and revised IFRSs that have been issued but are not yet effective:

Amendments to IFRS 7	<i>Disclosures – Offsetting of Financial Assets and Financial Liabilities</i>
IFRS 9	<i>Financial Instruments</i>
IFRS 10	<i>Consolidated Financial Statements</i>
IFRS 11	<i>Joint Arrangements</i>
IFRS 12	<i>Disclosure of Interests in Other Entities</i>
IFRS 13	<i>Fair Value Measurement</i>
Amendments to IAS 1	<i>Presentation of Items of Other Comprehensive Income</i>
IAS 19 (as revised in 2011)	<i>Employee Benefits</i>
IAS 27 (as revised in 2011)	<i>Separate Financial Statement</i>
IAS 28 (as revised in 2011)	<i>Investments in Associates and Joint Ventures</i>
IFRIC 20	<i>Stripping Costs in the Production Phase of a Surface Mine</i>
Amendments to IAS 32	<i>Financial Instruments: Presentation - Offsetting of Financial Assets and Financial Liabilities</i>

The amendments to IFRS 7 require an entity to disclose information about rights of offset and related agreements for financial instruments under an enforceable master netting agreement or similar arrangement. The new disclosures are required for annual or interim periods beginning on or after 1 January 2013.

IFRS 9 issued in November 2009 introduces new requirements for the classification and measurement of financial assets. IFRS 9 amended in October 2010 includes the requirements for the classification and measurement of financial liabilities and for derecognition.

**FOOTNOTES FOR FINANCIAL STATEMENTS FOR PERIOD THAT ENDED AS OF 30 SEPTEMBER 2012**

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

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

**2.5 CMB Amendments in Financial Reporting Standards (cont.)**

**d) New and Revised IFRSs in issue but not yet effective (Cont.)**

Significant amendments to IFRS 9 are:

1. IFRS 9 requires all recognised financial assets that are within the scope of IAS 39 Financial Instruments: Recognition and Measurement to be subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. All other debt investments and equity investments are measured at their fair values at the end of subsequent accounting periods.
2. The most significant effect of IFRS 9 regarding the classification and measurement of financial liabilities relates to the accounting for changes in the fair value of a financial liability (designated as at fair value through profit or loss) attributable to changes in the credit risk of that liability. Specifically, under IFRS 9, for financial liabilities that are designated as at fair value through profit or loss, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value attributable to a financial liability's credit risk are not subsequently reclassified to profit or loss. Previously, under IAS 39, the entire amount of the change in the fair value of the financial liability designated as at fair value through profit or loss was presented in profit or loss.

IFRS 9 was amended to defer the mandatory effective date of both the 2009 and 2010 versions of IFRS 9 to annual periods beginning on or after 1 January 2015. Prior to the amendments, application of IFRS 9 was mandatory for annual periods beginning on or after 1 January 2013. The amendments continue to permit early application. The amendments modify the existing comparative transition disclosures in IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors and IFRS 7 Financial Instruments: Disclosures. Instead of requiring restatement of comparative financial statements, entities are either permitted or required to provide modified disclosures on transition from IAS 39 Financial Instruments: Recognition and Measurement to IFRS 9 depending on the entity's date of adoption and whether the entity chooses to restate prior periods.

The group management anticipates that IFRS 9 will be adopted in the Group's consolidated financial statements for the annual period beginning 1 January 2015 and that the application of IFRS 9 may have significant impact on amounts reported in respect of the Group's financial assets and financial liabilities (e.g. the Group's investments in redeemable notes that are currently classified as available-for-sale investments will have to be measured at fair value at the end of subsequent reporting periods, with changes in the fair value being recognised in profit or loss). However, it is not practicable to provide a reasonable estimate of that effect until a detailed review has been completed.

Five standards issued on May 2011 which including IFRS 10, IFRS 11, IFRS 12, IAS 12, IAS 27 and IAS 28 about consolidation, agreements, affiliates and their presentation.

Significant amendments those five standards brought, written below:

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

**2.5 CMB Amendments in Financial Reporting Standards (cont.)**

**d) New and Revised IFRSs in issue but not yet effective (Cont.)**

IFRS 10 replaces the parts of IAS 27 Consolidated and Separate Financial Statements that deal with consolidated financial statements. SIC-12 Consolidation – Special Purpose Entities has been withdrawn upon the issuance of IFRS 10. Under IFRS 10, there is only one basis for consolidation, which is control. In addition, IFRS 10 includes a new definition of control that contains three elements: (a) power over an investee, (b) exposure, or rights, to variable returns from its involvement with the investee, and (c) the ability to use its power over the investee to affect the amount of the investor's returns. Extensive guidance has been added in IFRS 10 to deal with complex scenarios.

IFRS 11 replaces IAS 31 Interests in Joint Ventures. IFRS 11 deals with how a joint arrangement of which two or more parties have joint control should be classified. SIC-13 Jointly Controlled Entities – Non-monetary Contributions by Venturers has been withdrawn upon the issuance of IFRS 11. Under IFRS 11, joint arrangements are classified as joint operations or joint ventures, depending on the rights and obligations of the parties to the arrangements. In contrast, under IAS 31, there are three types of joint arrangements: jointly controlled entities, jointly controlled assets and jointly controlled operations.

In addition, joint ventures under IFRS 11 are required to be accounted for using the equity method of accounting, whereas jointly controlled entities under IAS 31 can be accounted for using the equity method of accounting or proportionate accounting.

IFRS 12 is a disclosure standard and is applicable to entities that have interests in subsidiaries, joint arrangements, associates and/or unconsolidated structured entities. In general, the disclosure requirements in IFRS 12 are more extensive than those in the current standards.

These five standards are effective for annual periods beginning on or after 1 January 2013. Earlier application is permitted provided that all of these five standards are applied early at the same time.

The Group management anticipates that these five standards will be adopted in the Group's consolidated financial statements for the annual period beginning 1 January 2013. The application of these five standards may have significant impact on amounts reported in the consolidated financial statements. The application of IFRS 10 may result in the Group no longer consolidating some of its investees, and consolidating investees that were not previously consolidated (e.g. the Group's investment in C Plus Limited that is currently classified as the Group's associate may become the Group's subsidiary based on the new definition of control and the related guidance in IFRS 10). In addition, the application of IFRS 11 may result in changes in the accounting of the Group's jointly controlled entity that is currently accounted for using proportionate consolidation. Under IFRS 11, a jointly controlled entity may be classified as a joint operation or joint venture, depending on the rights and obligations of the parties to the joint arrangement. However, the directors have not yet performed a detailed analysis of the impact of the application of these Standards and hence have not yet quantified the extent of the impact.

IFRS 13 establishes a single source of guidance for fair value measurements and disclosures about fair value measurements. The Standard defines fair value, establishes a framework for measuring fair value, and requires disclosures about fair value measurements. The scope of IFRS 13 is broad; it applies to both financial instrument items and non-financial instrument items for which other IFRSs require or permit fair value measurements and disclosures about fair value measurements, except in specified circumstances. In general, the disclosure requirements in IFRS 13 are more extensive than those required in the current standards. For example, quantitative and qualitative disclosures based on the three-level fair value hierarchy currently required for financial instruments only under IFRS 7 Financial Instruments: Disclosures will be extended by IFRS 13 to cover all assets and liabilities within its scope.

IFRS 13 is effective for annual periods beginning on or after 1 January 2013, with earlier application permitted. The directors anticipate that IFRS 13 will be adopted in the Group's consolidated financial statements for the annual period beginning 1 January 2013 and that the application of the new Standard may affect the amounts reported in the financial statements and result in more extensive disclosures in the financial statements

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

**2.5 CMB Amendments in Financial Reporting Standards (cont.)**

**d) New and Revised IFRSs in issue but not yet effective (Cont.)**

The amendments to IAS 19 change the accounting for defined benefit plans and termination benefits. The most significant change relates to the accounting for changes in defined benefit obligations and plan assets. The amendments require the recognition of changes in defined benefit obligations and in fair value of plan assets when they occur, and hence eliminate the 'corridor approach' permitted under the previous version of IAS 19 and accelerate the recognition of past service costs. The amendments require all actuarial gains and losses to be recognized immediately through other comprehensive income in order for the net pension asset or liability recognized in the consolidated statement of financial position to reflect the full value of the plan deficit or surplus.

The amendments to IAS 19 are effective for annual periods beginning on or after 1 January 2013 and require retrospective application with certain exceptions. The directors anticipate that the amendments to IAS 19 will be adopted in the Group's consolidated financial statements for the annual period beginning 1 January 2013 and that the application of the amendments to IAS 19 may have impact on amounts reported in respect of the Groups' defined benefit plans. However, the directors have not yet performed a detailed analysis of the impact of the application of the amendments and hence have not yet quantified the extent of the impact.

It published the comment of IFRIC 20 Stripping Cost in the Production Phase of a Surface Mine which clarifies accounting of excavation expenses in production stage in surface mining business on 19 October 2011. Comment, clarifies it the time and conditions of excavations at production stage as asset, and first recording of accounted asset and the measurement way in further periods. Comment will be valid on 1 January 2013 or for financial periods which will start after that.

It is aimed to clarify the current application subjects with settlement rules and to decrease the differences in the current applications with the changes made in IAS 32. Changes will become valid on 1 January 2014 or for the financial periods which start after this period.

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

#### 2.5 CMB Amendments in Financial Reporting Standards (Cont.)

##### d) New and Revised IFRSs in issue but not yet effective (Cont.)

*Annual Amendments for 2009/2011 Period*

In addition to aforementioned amendments, IASC issued five main standards on May 2012:

IFRS 1	<i>First time Adoption of International Financial Reporting Standards – Permission to repeated implementation of IFRS, borrowing costs for determined assets</i>
IAS 1	<i>Presentation of Financial Statements – Defining obligations for comparative information</i>
IAS 16	<i>Tangible Fixed Assets – Classification of maintenance material</i>
IAS 32	<i>Financial Instruments: Presentation - Defining obligation about accounting of tax effect of distribution to owners of equity instruments, in respect of IAS 12 Income Taxes Standard.</i>
IAS 34	<i>Interim Financial Reporting - Consistent to IFRS 8 Operating Segments Standard, defining reporting of total assets for segments in interim periods</i>

All those amendments will be effective as of January 1, 2013, but implementation earlier from this date is also possible. Group have not evaluated effects from implementing these standards for effects to consolidated financial statements yet.

#### 2.6 Summary of Significant Accounting Policies

Interim period summary consolidated financial statements dated 30 June 2012 prepared in the scope of IAS 34 “Interim Financial Reporting” standard. 30 June 2012 dated interim period summary consolidated financial statements prepared in line with 31 December 2011 statements accounting policies. Hence this interim period summary consolidated financial statements shall be evaluated with consolidated financial statements dated 31 December 2011.

### 3. BUSINESS MERGERS

#### Current period business mergers

Details of business mergers during period that ended September 30, 2012 are as follows:

#### Razi – Arya Phosphoric Jonub Co. purchase

Razi completed purchase of 2010 established, 116.000 tons/year capacity phosphoric acid plant Arya Phosphoric Jonub Co.’s (“Arya”) 87,5% of shares as of end of August with amount of 15.500.000 US\$. Hence studies of measuring Arya’s fair valued net assets in the scope of IFRS 3 continues, temporal values considered in 30 September dated financials involving purchase accounting. Group Management expects measurement period to be end on 31 December 2012. Calculated goodwill of this purchase due to temporal amounts is around 12 Million TL (84 Billion IRR)

### 4. OPERATING SEGMENTS

Group started to implement IFRS 8 Operating Segments 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

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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 for period that ended as of 30 September 2012 and 30 September 2011 are given in note 17.

The distribution of department assets and liabilities pertaining to the periods ending on 30 September 2012 and 31 December 2011 is as follows

	<b>Turkey</b>	<b>Iran</b>	<b>Consolidation Adjustments</b>	<b>Total</b>
	30 September 2012	30 September 2012	30 September 2012	30 September 2012
<b>ASSETS</b>				
Current Assets	722.349.498	1.033.824.795	(18.126.516)	1.738.047.777
Fixed Assets	663.105.223	664.878.057	(184.297.838)	1.143.685.442
<b>TOTAL ASSETS</b>	<b>1.385.454.721</b>	<b>1.698.702.852</b>	<b>(202.424.354)</b>	<b>2.881.733.219</b>
<b>LIABILITIES</b>				
Short Term Liabilities	865.026.045	686.354.892	(18.126.516)	1.533.254.421
Long Term Liabilities	46.771.715	177.567.093	-	224.338.808
Equities	473.656.961	834.780.867	(184.297.838)	1.124.139.990
<b>TOTAL LIABILITIES</b>	<b>1.385.454.721</b>	<b>1.698.702.852</b>	<b>(202.424.354)</b>	<b>2.881.733.219</b>
	<b>Turkey</b>	<b>Iran</b>	<b>Consolidation Adjustments</b>	<b>Total</b>
	31 December 2011	31 December 2011	31 December 2011	31 December 2011
<b>ASSETS</b>				
Current Assets	761.100.869	1.060.884.082	(127.712.244)	1.694.272.707
Fixed Assets	657.079.461	761.474.675	(145.323.272)	1.273.230.864
<b>TOTAL LIABILITIES</b>	<b>1.418.180.330</b>	<b>1.822.358.757</b>	<b>(273.035.516)</b>	<b>2.967.503.571</b>
<b>LIABILITIES</b>				
Short Term Liabilities	996.791.229	637.811.204	(127.712.244)	1.506.890.189
Long Term Liabilities	96.494.409	162.504.064	-	258.998.473
Equities	324.894.692	1.022.043.489	(145.323.272)	1.201.614.909
<b>TOTAL LIABILITIES</b>	<b>1.418.180.330</b>	<b>1.822.358.757</b>	<b>(273.035.516)</b>	<b>2.967.503.571</b>

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**4. OPERATING SEGMENTS (Cont.)**

The distribution of income statements by departments for the periods ending on 30 September 2012 and 30 September 2011 is as follows:

	<b>Turkey</b>	<b>Iran</b>	<b>Consolidation Adjustments</b>	<b>Total</b>
	01 Ocak 2012- 30 Haziran 2012	01 Ocak 2012- 30 Haziran 2012	01 Ocak 2012- 30 Haziran 2012	01 Ocak 2012- 30 Haziran 2012
<b>MAIN ACTIVITY INCOMES</b>				
Sales (Net)	963.149.350	758.702.857	(21.012.668)	1.700.839.539
Cost of Sales (-)	(933.185.220)	(419.067.871)	21.012.668	(1.331.240.423)
<b>Gross main activity profit</b>	<b>29.964.130</b>	<b>339.634.986</b>	<b>-</b>	<b>369.599.116</b>
Marketing, sales and distribution expenses	(49.556.283)	(60.066.518)	-	(109.622.801)
General management expenses	(12.639.063)	(45.434.623)	-	(58.073.686)
Other incomes	6.145.354	14.043.338	-	20.188.692
Other expenses	(3.484.233)	(9.426.537)	-	(12.910.770)
<b>Activity profit</b>	<b>(29.570.095)</b>	<b>238.750.646</b>	<b>-</b>	<b>209.180.551</b>
Shares in profit/loss of investments increase in value through equity method	(2.397.096)		-	(2.397.096)
Financial incomes	286.864.790	224.819.892	(205.228.654)	306.456.028
Financial expenses	(72.815.622)	(80.950.705)	2.142.589	(151.623.738)
<b>Pre-tax profit from maintained activities</b>	<b>182.081.977</b>	<b>382.619.834</b>	<b>(203.086.065)</b>	<b>361.615.746</b>
Tax expense	(30.039.285)	(1.835.598)	-	(31.874.883)
Deferred tax income / (expense)	(3.280.427)	-	-	(3.280.427)
<b>Profit for the period</b>	<b>148.762.265</b>	<b>380.784.236</b>	<b>(203.086.065)</b>	<b>326.460.436</b>



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**4. OPERATING SEGMENTS (Cont.)**

	<b>Turkey</b>	<b>Iran</b>	<b>Consolidation Adjustments</b>	<b>Total</b>
	01 Jan. 2011- 30 September 2011	01 Jan. 2011- 30 September 2011	01 Jan. 2011- 30 September 2011	01 Jan. 2011- 30 September 2011
<b>MAIN ACTIVITY INCOMES</b>				
Sales (Net)	825.183.761	699.376.343	(3.421.898)	1.521.138.206
Cost of Sales (-)	(734.573.670)	(337.707.969)	3.421.898	(1.068.859.741)
<b>Gross main activity profit</b>	<b>90.610.091</b>	<b>361.668.374</b>	<b>-</b>	<b>452.278.465</b>
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)
<b>Activity profit</b>	<b>36.923.074</b>	<b>324.228.973</b>	<b>-</b>	<b>361.152.047</b>
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)
<b>Pre-tax profit from maintained activities</b>	<b>54.295.948</b>	<b>285.919.893</b>	<b>(128.400.860)</b>	<b>211.814.981</b>
Tax expense	-	(4.196.312)	-	(4.196.312)
Deferred tax income / (expense)	(8.301.782)	(2.425.149)	-	(10.726.931)
<b>Profit for the period</b>	<b>45.994.166</b>	<b>279.298.432</b>	<b>(128.400.860)</b>	<b>196.891.738</b>

Capital expenditures pertaining to department assets for the periods ending on 30 September 2012 and 30 September 2011 are as follows:

<b>Capital Expenditure</b>	<b>01 Jan. 2012- 30 September 2012</b>	<b>01 Jan. 2011- 30 September 2011</b>
Turkey	12.729.415	5.590.658
Iran	63.498.796	16.422.985
	<b>76.228.211</b>	<b>22.013.643</b>

Amortization/Depreciation expenses pertaining to department assets for the periods ending on 30 September 2012 and 30 September 2011 are as follows:

<b>Amortization / Depreciation</b>	<b>01 Jan. 2012- 30 September 2012</b>	<b>01 Jan. 2011- 30 September 2011</b>
Turkey	3.623.943	3.224.847
Iran	63.809.256	64.950.278
	<b>67.433.199</b>	<b>68.175.125</b>

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**5. CASH AND CASH EQUIVALENT**

	<b>30 September 2012</b>	<b>31 September 2011</b>
Cash	647.290	446.710
Received Checks	-	423.336
Banks- Demand deposits	33.051.595	7.746.025
Banks- Time deposits (< 3 months)	331.456.644	318.300.551
Government Bonds (Razi)	4.909.600	671.200
Other Liquid Assets	1.439.202	122.900
<b>Cash and Cash Equivalent</b>	<b>371.504.331</b>	<b>327.710.722</b>

The maturities of time deposits as of 30 September 2012 and 31 December 2011 are shorter than 3 months; their values assessed according to effective interest method are as follows:

<b>Time Deposits: Currency</b>			<b>30 September 2012</b>		<b>31 December 2011</b>	
<b>Interest Rate (%)</b>	<b>Maturity</b>	<b>Foreign Currency</b>	<b>Amount</b>	<b>Amount in TL</b>	<b>Amount</b>	<b>Amount in TL</b>
0,5 - Libor + 0,5	Oct'2012	EUR	696.323	1.607.461	2.138.252	5.225.460
6,00 - 9,00	Oct'2012	Mil. IRR	534.107	77.125.050	215.269	36.122.138
4,35 -5,6	Oct'2012	USD	141.571.398	252.662.474	142.985.949	270.086.160
6,00	Jan'2012	EUR	-	-	2.809.883	6.866.793
5,80 - 6,00	Oct'2012	YEN	2.686.190	61.659	-	-
<b>Total</b>				<b>331.456.644</b>		<b>318.300.551</b>

**Government Bonds**

<b>Currency</b>	<b>30 September 2012</b>		<b>31 December 2011</b>	
	<b>Amount</b>	<b>Amount in TL</b>	<b>Amount</b>	<b>Amount in TL</b>
Mil. IRR	34.000	4.909.600	4.000	671.200
		<b>4.909.600</b>		<b>671.200</b>

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**6. FINANCIAL INVESTMENTS**

**Short Term Financial Investments**

Details of short term financial investments as of 30 September 2012 and 31 December 2011 are shown below:

<b>Fair value difference profit / loss reflected Financial Assets</b>	<b>30 September 2012</b>	<b>31 December 2011</b>
Private sector bonds and bills	36.407.709	-
<b>Total</b>	<b>36.407.709</b>	<b>-</b>

**Long Term Financial Investments**

<b>Financial Assets Ready for Sale</b>		<b>30 September 2012</b>		<b>31 December 2011</b>	
<b>Title</b>	<b>Subject of Activity</b>	<b>Share (%)</b>	<b>Amount of Participation</b>	<b>Share (%)</b>	<b>Amount of Participation</b>
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	523.627
Tareksav	Agricultural Credit Cooperative Education Foundation		200.000		200.000
<b>Total</b>			<b>2.737.515</b>		<b>2.737.515</b>

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

**7. FINANCIAL PAYABLES**

	<b>30 September 2012</b>	<b>31 December 2011</b>
Short Term Bank Credits (Gübretaş)	335.601.726	219.984.857
Short Term Bank Credits (Tabosan)	-	13.416.977
Other Financial Payables (Razi)	213.493.090	236.977.396
<b>Total Short Term Financial Payables</b>	<b>549.094.816</b>	<b>470.379.230</b>
Long Term Bank Credits (Gübretaş)	37.833.724	32.583.977
Long Term Bank Credits (Tabosan)	-	17.612.226
Other Financial Payables (Razi)	65.664.601	49.090.897
<b>Total Long Term Financial Payables</b>	<b>103.498.325</b>	<b>99.287.100</b>

**Short Term Financial Payables**

<b>Bank Credits</b>			<b>30 September 2012</b>		<b>31 December 2011</b>	
<b>Interest Rate (%)</b>	<b>Maturity</b>	<b>Foreign Currency</b>	<b>Amount</b>	<b>Amount in TL</b>	<b>Amount</b>	<b>Amount in TL</b>
3,13-8,00	April 2012	EUR			9.856.667	24.087.723
5,95	January 2012	USD			10.181.628	19.232.078
12,20-16,00	January 2012 - July 2012	TL			-	176.665.056
2,99-8	Oct'2012 - Jan'13	EUR	17.548.073	40.509.728		
9-11	Oct'2012 - Jan'13	TL	-	295.091.998		
<b>Total</b>				<b>335.601.726</b>	<b>-</b>	<b>219.984.857</b>

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7. FINANCIAL PAYABLES (Cont.)

**Short Term Financial Payables**

Other Financial Payables (*)			30 September 2012		31 December 2011	
Interest Rate (%)	Maturity	Foreign Currency	Amount	Amount in TL	Amount	Amount in TL
(*) Libor+0,5	Oct 2012	EUR	70.936.961	163.757.975	77.118.856	188.463.060
Libor+2	May 2013	EUR	1.943.473	4.486.509		
16	Oct 2012	Milyon IRR	313.356	45.248.606	289.120	48.514.336
<b>Total</b>				<b>213.493.090</b>		<b>236.977.396</b>

Tabosan bank credits - short term			30 September 2012		31 December 2011	
Interest Rate (%)	Maturity	Foreign Currency	Amount	Amount in TL	Amount	Amount in TL
8,00	Oct 2012	EUR	-	-	5.490.211	13.416.977
<b>Total</b>				-		<b>13.416.977</b>

**Long Term Financial Payables**

Bank Credits			30 September 2012		31 December 2011	
Interest Rate (%)	Maturity	Foreign Currency	Amount	Amount in TL	Amount	Amount in TL
2,99-8	April'14 - July'14	EUR	16.388.878	37.833.724	13.333.324	32.583.977
<b>Total</b>				<b>37.833.724</b>		<b>32.583.977</b>

Other Financial Payables (*)			30 September 2012		31 December 2011	
Interest Rate (%)	Maturity	Foreign Currency	Amount	Amount in TL	Amount	Amount in TL
Libor+0,5	March 2014	EUR	20.324.277	46.918.592	20.087.936	49.090.897
Libor+2	May 2014	EUR	8.120.428	18.746.009	-	-
<b>Total</b>				<b>65.664.601</b>		<b>49.090.897</b>

Tabosan bank credits - long term			30 September 2012		31 December 2011	
Interest Rate (%)	Maturity	Foreign Currency	Amount	Amount in TL	Amount	Amount in TL
8,00	April 2014	EUR	-	-	7.206.901	17.612.226
<b>Total</b>				-		<b>17.612.226</b>

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

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

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

## FOOTNOTES FOR FINANCIAL STATEMENTS FOR PERIOD THAT ENDED AS OF 30 SEPTEMBER 2012

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

### 8. TRADE RECEIVABLES AND PAYABLES

#### Trade receivables

##### Short Term Trade Receivables

	<b>30 September 2012</b>	<b>31 December 2011</b>
Trade receivables	374.457.840	257.157.062
Trade receivables from related parties (Note 21)	222.286.270	228.271.654
Note receivable	-	1.440.420
Receivables from National Petrochemical Company ("NPC") (Razi)	76.248.109	87.928.375
Provisions for doubtful trade receivables	(1.957.054)	(288.224)
<b>Short Term Trade Receivables</b>	<b>671.035.165</b>	<b>574.509.287</b>

The details of transactions related to related parties are given in Footnote 22.

Guarantees related to undue receivables

	<b>30 September 2012</b>	<b>31 December 2011</b>
Letters of Guarantee	169.061.935	144.018.416
Collateral Checks /Notes	6.971.874	1.092.709
<b>Total Amount</b>	<b>176.033.809</b>	<b>145.111.125</b>

#### **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**

<b>Overdue following the maturity</b>	<b>30 September 2012</b>	<b>31 December 2011</b>
Between 0 – 3 months	-	-
More than 9 months	1.957.054	288.224
<b>Total</b>	<b>1.957.054</b>	<b>288.224</b>

#### **Provision for doubtful receivables**

	<b>30 September 2012</b>	<b>31 December 2011</b>
Opening balance	288.224	334.101
Expenses in period	1.668.830	-
Collection/adjusting in period	-	(45.877)
<b>Closing balance</b>	<b>1.957.054</b>	<b>288.224</b>

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

### FOOTNOTES FOR FINANCIAL STATEMENTS FOR PERIOD THAT ENDED AS OF 30 SEPTEMBER 2012

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

#### 8. TRADE RECEIVABLES AND PAYABLES (Cont.)

##### Trade Payables

	<b>30 September 2012</b>	<b>31 December 2011</b>
Suppliers (Gübretaş)	402.603.584	510.351.217
Suppliers (Razi)	135.512.180	123.087.676
Payables to related parties (Note 21)	4.182.344	6.587.996
Payables to NPC (Razi)	125.345.987	146.581.858
Other Trade Payables	41.207.878	12.454.212
<b>Short Term Trade Payables</b>	<b>708.851.973</b>	<b>799.062.959</b>

#### 9. OTHER RECEIVABLES AND PAYABLES

##### Other Short Term Receivables

	<b>30 September 2012</b>	<b>31 December 2011</b>
Receivables from Razi (From Minority Shares) (*)	56.625.017	106.360.030
Other Various Receivables (Tabosan) (**)	37.504.790	37.785.597
Tax Receivables (Razi)	15.905.371	12.910.399
Other Various Receivables	13.183.063	6.251.106
Blocked Bank Account	-	3.886.695
Receivables from staff	4.177.410	2.730.992
Guarantee and deposits given	36.484.489	-
<b>Other Short Term Receivables</b>	<b>163.880.140</b>	<b>169.924.819</b>

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

(\*\*) Tabosan Mühendislik İmalat ve Montaj A.Ş. (“Tabosan”) which is among consortium partners and bought Razi shares of the group together made application to the court with delay demand and the court rejected the demand and decided transferring of all operations to bankruptcy assets by constituting bankruptcy asset. Group Management demanded equal Tabosan’s shares of Razi for paid amount from administration of bankruptcy. . Group became guarantor for Tabosan as consecutively for Tabosan to the banks which finance is provided during purchase of Razi shares. It paid the credit maturity which is amount of 37.504.790 TL and which must be paid by Tabosan under this guarantor with guarantor name. Group accounted this amount in other receivables. Group management, did not reserve any equivalent in this stage in the current period in relation to this receivable, according to protocol which it made during share purchase of Tabosan and Razi shares, by taking into account the purchase right on unit share value which are bought as first for the shares which Tabosan have and hypothecs and guarantees which will be transferred to it by the bank.

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

**FOOTNOTES FOR FINANCIAL STATEMENTS FOR PERIOD THAT ENDED AS OF 30 SEPTEMBER 2012**

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

**9. OTHER RECEIVABLES AND PAYABLES (Cont.)**

**Other Long Term Receivables**

	<b>30 September 2012</b>	<b>31 December 2011</b>
Given deposits and guarantees	35.842	2.821.077
Receivables from staff (*)	15.202.143	19.125.676
<b>Other Long Term Receivables</b>	<b>15.237.985</b>	<b>21.946.753</b>

(\*) Long term receivables from staff are aids for Personal home ownership.

**Other Short Term Payables**

	<b>30 September 2012</b>	<b>31 December 2011</b>
Payables to Iranian Privatization Org. (*)	80.515.166	101.373.237
Advances taken	19.531.194	16.446.845
Dividend payables to Minority Shares	13.905.528	-
Payables to the staff	13.440.392	12.287.905
Other Payables and Liabilities	18.369.455	4.801.944
Payable Taxes, Funds and Other Liabilities	2.279.906	1.256.075
<b>Other Short Term Payables</b>	<b>148.041.641</b>	<b>136.166.006</b>

**Other Long Term Payables**

	<b>30 September 2012</b>	<b>31 December 2011</b>
Payables to Iranian Privatization Org. (*)	-	40.754.944
<b>Other Long Term Payables</b>	<b>-</b>	<b>40.754.944</b>

(\*) In 2008, the consortium, also including the company, participated in the tender the Iranian Privatization Administration 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 six monthly equal installments. As of 30 September 2012, a sum of 80.515.166 TL (31 December 2011: 142.128.181 TL) is shown in short term trade payables. (31 December 2011: 101.373.237 TL)

**10. INVENTORIES**

	<b>30 September 2012</b>	<b>31 December 2011</b>
Raw Materials	143.587.130	165.920.539
Finished Goods	53.921.538	109.003.178
Commodities	182.474.044	243.964.456
Other Inventories	23.781.783	15.968.731
<b>Total</b>	<b>403.764.495</b>	<b>534.856.904</b>

Group carried out net realisable value analysis for inventories and regarding to conclusion of this analysis there is no provision for inventory losses in current period. (2011: None).

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

**FOOTNOTES FOR FINANCIAL STATEMENTS FOR PERIOD THAT ENDED AS OF 30 SEPTEMBER 2012**

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

**11. INVESTMENTS VALUED BY EQUITY METHOD**

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

	<b>Negmar Denizcilik Yatırım A.Ş.</b>		<b>Tarkim Bitki Koruma San.Tic.A.Ş.</b>	
	<b>30 September 2012</b>	<b>31 December 2011</b>	<b>30 September 2012</b>	<b>December 2011</b>
Total Assets	36.110.622	23.680.515	20.950.225	18.935.059
Total Liabilities	197.460.587	116.875.848	6.231.085	6.713.581
<b>Total Assets</b>	<b>233.571.209</b>	<b>140.556.363</b>	<b>27.181.310</b>	<b>25.648.640</b>
Other Short Term Liabilities	114.307.931	45.659.316	9.588.206	9.248.820
Other Long Term Liabilities	115.494.813	83.942.557	-	-
Equities	3.768.465	10.954.490	17.593.104	16.399.820
<b>Total Liabilities</b>	<b>233.571.209</b>	<b>140.556.363</b>	<b>27.181.310</b>	<b>25.648.640</b>

	<b>Negmar Denizcilik Yatırım A.Ş.</b>		<b>Tarkim Bitki Koruma San.Tic.A.Ş.</b>	
	<b>30 September 2012</b>	<b>31 December 2011</b>	<b>30 September 2012</b>	<b>1 December 2011</b>
Net Sales	120.065.116	183.849.262	19.317.892	16.450.840
<b>Net profit / loss</b>	<b>(9.854.941)</b>	<b>(9.252.821)</b>	<b>502.971</b>	<b>560.281</b>

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

	<b>30 September 2012</b>	<b>31 December 2011</b>
Negmar Denizcilik Yatırım A.Ş.	1.507.386	4.381.796
Tarkim Bitki Koruma Sanayi ve Ticaret A.Ş.	7.037.242	6.559.928
<b>Total</b>	<b>8.544.628</b>	<b>10.941.724</b>

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

	<b>30 September 2012</b>	<b>30 September 2011</b>
Negmar Denizcilik Yatırım A.Ş.	(2.874.410)	(4.765.173)
Tarkim Bitki Koruma San.Tic.A.Ş.	477.314	320.658
<b>Total</b>	<b>(2.397.096)</b>	<b>(4.444.515)</b>



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

### FOOTNOTES FOR FINANCIAL STATEMENTS FOR PERIOD THAT ENDED AS OF 30 SEPTEMBER 2012

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

#### 12. INVESTMENT PROPERTIES

Group’s properties including lands, buildings, port and warehouses at İskenderun Sarıseki leased for 25 years to Denizciler Birliği Deniz Nakliyatı ve Ticaret Anonim Şirketi regarding to agreement signed on 30.04.2007. Afterwards leasing agreement increased to 30 years with collateral contract. Neither we nor our Group Companies have no association with Denizciler Birliği Deniz Nakliyatı ve Ticaret Anonim Şirketi. But regarding to our transfer of operating rights handling job activities (like ship discharge, interval transport to warehouse, storage, bagging, entruck etc.) in İskenderun Facilities outsourced to Denizciler Birliği. (Footnote: 15)

The fair value of investment properties of Group on 30 September 2012, 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 appraisal 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 2012			30 June 2011		
	Lands and Parcels	Buildings	Total	Lands and Parcels	Buildings	Total
Net Value at the beginning of period	51.530.000	10.219.595	<b>61.749.595</b>	50.340.000	9.829.595	<b>60.169.595</b>
Rise in fair value	-	-	-	1.190.000	390.000	<b>1.580.000</b>
<b>Net Value at the end of period</b>	<b>51.530.000</b>	<b>10.219.595</b>	<b>61.749.595</b>	<b>51.530.000</b>	<b>10.219.595</b>	<b>61.749.595</b>

The Company had lease income amounting to 1.347.033 TL from its investment properties and 256.291 TL due to yield contract with Denizciler Birliği in the period ending on the date of 30 September 2012, and paid no maintenance cost. (30 September 2011:1.232.950 TL lease income, 258.618 TL contract yield)

#### 13. TANGIBLE FIXED ASSETS

The depreciation cost and amortization of the company is 67.433.199 TL as of 30 September 2012, and details are given below.

	Gübretaş	Razi	Total
Amortization Cost	3.571.510	63.809.256	67.380.766
Depreciation Cost	52.433	-	52.433
<b>Total Amount</b>	<b>3.623.943</b>	<b>63.809.256</b>	<b>67.433.199</b>

Out of the total of 67.433.199 TL depreciation and amortization costs; 64.673.147 TL have been included in General Production Costs, 603.631 TL in Sales and Marketing Costs, 1.052.050 TL in General Administrative Costs, and 584.371 TL remained in inventories.

30 June 2011: 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 Management Costs, and 1.087.232 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 2012 and 31 December 2011.

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

**FOOTNOTES FOR FINANCIAL STATEMENTS FOR PERIOD THAT ENDED AS OF 30 SEPTEMBER 2012**

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

**13. TANGIBLE FIXED ASSETS (Cont.)**

	Land	Surface and Underground	Buildings	Facility, Machinery and Devices	Vehicles	Fixtures	Special Costs	Ongoing Investments	Acquired during Business Merger	Total
<b>Cost Value</b>										
<b>Opening balance on 1 January 2012</b>	<b>112.881.326</b>	<b>12.019.576</b>	<b>137.425.917</b>	<b>1.264.580.033</b>	<b>9.019.933</b>	<b>13.076.256</b>	-	<b>40.751.084</b>		<b>1.589.754.125</b>
Translation differences	(506.444)	-	(7.118.865)	(168.690.297)	(994.828)	(1.454.850)	-	(5.375.896)		<b>(184.141.180)</b>
Purchases	-	113.526	9.890.606	8.122.868	1.390.931	775.638	190.892	2.844.276	52.897.687	<b>76.228.211</b>
Sales	-	-	(613.901)	(27.433)	(808.772)	(197.999)	-	-	-	<b>(1.648.105)</b>
Transfers	-	419.117	1.035.252	545.734		95.658		(2.095.761)	-	-
<b>Closing Balance on 30 September 2012</b>	<b>112.374.882</b>	<b>12.552.219</b>	<b>140.619.009</b>	<b>1.104.530.905</b>	<b>8.607.264</b>	<b>12.294.703</b>	<b>190.892</b>	<b>36.123.703</b>	<b>52.897.687</b>	<b>1.480.193.051</b>
<b>Accrued depreciation</b>										
<b>Opening balance on 1 January 2012</b>	-	<b>(9.259.200)</b>	<b>(83.474.195)</b>	<b>(606.750.294)</b>	<b>(6.160.941)</b>	<b>(7.611.336)</b>	-	-		<b>(713.255.967)</b>
Translation differences	-	-	3.938.336	78.130.555	761.630	932.370	-	-		<b>83.762.891</b>
Expenses for the period	-	(216.795)	(3.561.590)	(53.740.194)	(644.734)	(875.196)	(60.871)	-	(8.281.386)	<b>(67.380.766)</b>
Sales / Cancellation	-	-	66.444	15.303	709.428	187.368	5.547	-		<b>984.090</b>
<b>Closing Balance on 30 September 2012</b>	-	<b>(9.475.995)</b>	<b>(83.031.005)</b>	<b>(582.344.630)</b>	<b>(5.334.617)</b>	<b>(7.366.794)</b>	<b>(55.324)</b>	-	<b>(8.281.386)</b>	<b>(695.889.752)</b>
<b>Net value on 30 September 2012</b>	<b>112.374.882</b>	<b>3.076.224</b>	<b>57.588.004</b>	<b>522.186.275</b>	<b>3.272.647</b>	<b>4.927.909</b>	<b>137.355</b>	<b>36.123.703</b>	<b>44.616.301</b>	<b>784.303.299</b>

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

**FOOTNOTES FOR FINANCIAL STATEMENTS FOR PERIOD THAT ENDED AS OF 30 SEPTEMBER 2012**

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

**13. TANGIBLE FIXED ASSETS (Cont.)**

	Land	Surface and Underground Improvement	Buildings	Facility, Machinery and Devices	Vehicles	Fixtures	Ongoing Investments	Total
<b>Opening Balance on 1 Jan. 2011</b>	<b>105.296.758</b>	<b>9.857.737</b>	<b>118.557.977</b>	<b>1.118.913.890</b>	<b>7.213.506</b>	<b>10.934.378</b>	<b>14.676.484</b>	<b>1.385.473.591</b>
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)
<b>Closing Balance on 30 June 2011</b>	<b>110.623.027</b>	<b>11.898.135</b>	<b>133.100.474</b>	<b>1.280.493.799</b>	<b>8.540.321</b>	<b>12.538.457</b>	<b>34.829.220</b>	<b>1.592.023.433</b>
<b>Accrued Depreciation</b>								
<b>Opening Balance on 1 Jan. 2011</b>	-	<b>(9.095.976)</b>	<b>(68.699.472)</b>	<b>(459.702.370)</b>	<b>(4.913.608)</b>	<b>5.979.942</b>	-	<b>(548.391.368)</b>
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	44.593	423.206	-	1.881.821
<b>Closing Balance on 30 June 2011</b>		<b>(9.194.505)</b>	<b>(82.524.450)</b>	<b>(591.707.721)</b>	<b>6.028.148</b>	<b>(7.322.701)</b>	-	<b>(696.777.525)</b>
<b>Net Value as of 30 June 2011</b>	<b>110.623.027</b>	<b>2.703.630</b>	<b>50.576.023</b>	<b>688.786.078</b>	<b>2.512.174</b>	<b>5.215.756</b>	<b>34.829.220</b>	<b>895.245.907</b>

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

## FOOTNOTES FOR FINANCIAL STATEMENTS FOR PERIOD THAT ENDED AS OF 30 SEPTEMBER 2012

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

### 14. INTANGIBLE FIXED ASSETS

<b>Rights</b>	<b>30 September 2012</b>	<b>30 September 2011</b>
Opening Balance on 1 January	362.523	190.242
Purchases	146.871	47.962
<b>Closing Balance on 30 September</b>	<b>509.394</b>	<b>238.204</b>
<b>Accured Depreciation</b>		
Opening Balance on 1 January	(92.192)	(23.050)
Amortization expenses for current period	(52.433)	(52.196)
<b>Closing Balance on 30 September</b>	<b>(144.625)</b>	<b>(75.246)</b>
<b>Net Book Value</b>	<b>364.769</b>	<b>162.958</b>

### 15. GOODWILL

	<b>Goodwill</b>	
Amount as of 31 December 2010	246.672.361	
Conversation difference	32.811.921	
Amount as of 31 December 2011	279.484.282	
Conversation difference	(38.974.566)	
Gained through business merger	11.993.046	
Amount as of 30 September 2012	291.477.328	

### 16. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

#### Debt Provisions

#### Short Term Debt Provision

	<b>30 September 2012</b>	<b>31 December 2011</b>	
Provisions for Expense Accruals	62.420.985	61.350.197	
Provisions for Lawsuit and other debts	1.667.186	1.712.780	
<b>Other short term liabilities</b>	<b>64.088.171</b>	<b>63.062.977</b>	

#### Lawsuit Provision;

	<b>30 September 2012</b>	
As of 1 January 2012	1.712.780	
Additional / Provision Cancellation	(45.594)	
As of 30 September 2012	1.667.186	

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

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**16. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Cont.)**

**Assurance- Pledge-Hypothechs (“APH”)**

As from 30 September 2012 and 31 December 2011, the tables related to the Group’s tables related to Assurance- Pledge-Hypothechs position are as follows:

APH Given by the Company	30 September 2012			31 December 2011		
	Currency	Currency Amount	Amount in TL	Currency	Currency Amount	Amount in TL
A. Total amount of APH's given for own legal entity (Assurance)	TL		7.591.077	TL		6.343.272
	EUR	17.777.770	41.039.982	EUR	35.319.912	86.314.800
B. Total amount of APH's given for the partnerships included to full consolidation	-	-	-	-	-	-
C. APH given for guaranteeing the debts of other 3rd parties for the performance of ordinary business activities (*) (**)	USD	19.543.776	34.879.777	USD	22.236.270	42.002.090
	EUR	9.186.415	21.206.839	EUR	12.003.045	29.333.041
D. Total amount of other APH's given	-	-	-	-	-	-
i. Total amount of APH's given for main partner	-	-	-	-	-	-
ii. Total amount of APH's given for other group companies not falling into the scope of articles B and C (Assurance)	-	-	-	-	-	-
iii. Total amount of APH's given for 3rd parties not falling in to the scope of article C	-	-	-	-	-	-
<b>Total</b>			<b>104.717.676</b>			<b>163.993.203</b>

(\*) The amount of joint and several guarantee issued by the Group on behalf of the consortium partners for the acquisition of Razi is 20.519.079 TL (2011: 27.153.316 TL).

There is no other APH given by the Group. (31 December 2011: None).

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

### FOOTNOTES FOR FINANCIAL STATEMENTS FOR PERIOD THAT ENDED AS OF 30 SEPTEMBER 2012

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#### 16. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Cont.)

##### Contingent Liabilities

Natural gas expenses which are a significant part of manufacturing costs in Razi Petrochemical Co.’nun (“Razi”) are invoiced by Iran National Petroleum Company (“NIOC”). Every march NIOC decides on the gas prices for that year. On 21 March 2010, NIOC have decided that the price of natural gas will ve fifteen times the previous year’s price. Razi has objected to this price increase and have not recognized the additional TRY 116 Million liability in the previous period. As of balance sheet date conflict continues. Hence this progress continues and there is possibility for cash outflow about this liability, Group did not account any provision for this amount. . On 19 December 2010 the natural gas prices have been reassessed and the new gas price has been set at seven times the previous year’s price. All natural gas expenses are invoiced based on the new price since 19 December 2010.

Iran Tax Authority has performed tax assessments for the tax filings of Razi for the years ended in 2006, 2007, 2008 and 2009. As a result of these assessments, the Iran Tax Authority has identified that Razi has recognized export sales as non-taxable income. The export sales were considered as taxable by the Iran Tax Authority and Razi was imposed to a total of TRY 66 million additional tax charge. Razi has protested against this claim. Based on the opinions of legal advisors and tax experts, the Group Management has not provided any provisions in the consolidated financial statements.

The sanctions imposed on Iran by United Nations may have an effect on the operations of the subsidiary of the Group. The economic stability of the Iran depends on the measures that will be taken by the government and the outcome of the legal, administrative and political processes. These processes are beyond the control of the companies established in the country. Consequently, the entities operating within Iran must consider risks that may not necessarily be observable in other markets. These consolidated financial statements contain the Group management’s estimations on the economic and financial positions of its subsidiaries and affiliates operating in Iran. The future economic situation of Iran might differ from the Group’s expectations.

İskenderun State Treasury Office (“Treasury”) has filed a lawsuit against the Group in 2011 for the cancellation of its title deed and demanded enforced evacuation of Group’s 79.350 m2 property located in the Sariseki province of İskenderun within the city of Hatay claiming that the property is within the shoreline. The net book value of the property is TRY 61.749.595 and has been accounted as investment property in the accompanying consolidated financial statements. The Group has objected the lawsuit asked for a new expert report for the determination of shoreline and at the same time filed another lawsuit for a compensation of its ownership right of the property. The litigation process is ongoing as of the report date. Based on the opinions of legal advisors, the Group Management has not provided any provisions in the consolidated financial statements for this lawsuit considering the uncertainty of the outcome.

Tabosan Mühendislik İmalat ve Montaj A.Ş. (“Tabosan”) which is among consortium partners and bought Razi shares of the group together made application to the court with delay demand and the court rejected the demand and decided transferring of all operations to bankruptcy assets by constituting bankruptcy asset. Group Management demanded transfer of shares of Razi for equal payment to bankruptcy administration. Group became guarantor for Tabosan as consecutively for Tabosan to the banks which finance is provided during purchase of Razi shares. It paid the credit maturity which is amount of 37.504 790 TL and which must be paid by Tabosan. And the amount accounted as other short term receivables.

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

### FOOTNOTES FOR FINANCIAL STATEMENTS FOR PERIOD THAT ENDED AS OF 30 SEPTEMBER 2012

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

#### 16. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Cont.)

##### Contingent Liabilities (Cont.)

Central Bank of Iran Islam Republic has been applying a fixed exchange rate regime since 28 January 2012. All foreign currency transactions are accounted using the fixed exchange rate which differs significantly from the market exchange rates. The market exchange rate is 140% more than the fixed exchange rate as at the balance sheet date. Central Bank of Republic of Turkey use the fixed exchange rate when determining the indicative Turkish Lira and Iranian Riyal exchange rate. IAS 21 requires companies to use the rate that the future cash flows represented by the transaction or balance could have been settled if those cash flows had occurred at the measurement date. The Group management, considering the unreliability of the market rates and the uncertainty in determining the rate that the future cash flows will be settled has used the indicative rates published by Central Bank of Iran Islam Republic and Central Bank of Republic of Turkey.

#### 17. COMMITMENTS

##### Razis’ Share Purchase

Regarding to Razis’ purchase 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 articles of association 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 2012, the company finalized 4 foreign currency purchasing contracts with financial institutions against currency exchange risk. The maturity date of the contracts was October 2012, and the total nominal value of contracts is US\$ 11.500.000.

(As of 31 December 2011, the company finalized 10 foreign currency purchasing contracts with financial institutions against currency exchange risk. The maturity date of the contracts was January 2012, and the total nominal value of contracts is US\$ 57.000.000.)

##### Operational Lease

The company has operational lease contracts amounting to a total of 25.650 TL (31 December 2011: 44.980 TL). The future payment terms and amounts belonging to these transactions, which completely belong to vehicle leasing, are as follows:

Year	TL
2012	11.400
2013	11.400
2014	2.850
<b>Total</b>	<b>25.650</b>

##### Purchasing Commitments

Group has US\$ 22.147.280 accredited purchasing commitment as of 30 September 2012. (31 December 2011: US\$ 19.813.700).

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

**FOOTNOTES FOR FINANCIAL STATEMENTS FOR PERIOD THAT ENDED AS OF 30 SEPTEMBER 2012**

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

**18. SALES AND COST OF SALES**

**Sales Income**

	<b>01.01.2012</b>	<b>01.07.2012</b>	<b>01.01.2011</b>	<b>01.07.2011</b>
	<b>30.09.2012</b>	<b>30.09.2012</b>	<b>30.09.2011</b>	<b>30.09.2011</b>
Domestic Sales	1.051.759.264	307.257.754	936.911.453	311.883.239
Overseas Sales	678.416.592	267.111.314	590.582.695	256.666.163
Sales Returns (-)	(365.728)	(157.952)	(280.483)	(4.948)
Sales Discounts (-)	(6.404.845)	(2.314.120)	(5.556.482)	(2.432.874)
Other discounts from sales (-)	(22.565.744)	(7.421.901)	(518.977)	(49.935)
<b>Net Sales</b>	<b>1.700.839.539</b>	<b>564.475.095</b>	<b>1.521.138.206</b>	<b>566.061.645</b>

<b><u>Sales Amounts</u></b>					
		<b>01.01.2012</b>	<b>01.07.2012</b>	<b>01.01.2011</b>	<b>01.07.2011</b>
<b>a) Gübre Fabrikaları T.A.Ş.</b>	<b>Unit</b>	<b>30.09.2012</b>	<b>30.09.2012</b>	<b>30.09.2011</b>	<b>30.09.2011</b>
TSP Triple Superphosphate	Ton	11.537	5.483	15.284	3.407
NPK Compound Fertilizer	Ton	401.725	180.343	432.558	165.448
Urea	Ton	155.167	9.533	130.258	-16.964
Ammonium Nitrate	Ton	190.328	8.828	155.063	15.002
DAP	Ton	114.391	71.245	110.723	66.189
Ammonium Sulphate	Ton	84.165	9.055	66.924	7.000
CAN	Ton	156.369	4.578	132.457	10.126
Potassium Sulphate	Ton	2.600	571	5.329	482
Map	Ton	302	69	279	104
Other	Ton	690	86	36.108	35.546
<b>Total</b>		<b>1.117.274</b>	<b>289.791</b>	<b>1.084.983</b>	<b>286.340</b>
<b>Liquid Fertilizer</b>	<b>Lt</b>	<b>1.185.542</b>	<b>120.213</b>	<b>823.983</b>	<b>98.713</b>
<b>Powder Fertilizer</b>	<b>Kg</b>	<b>10.062.618</b>	<b>1.763.719</b>	<b>8.498.466</b>	<b>2.351.144</b>
<b>b) Razi Co.</b>	<b>Unit</b>	<b>01.01.2012</b>	<b>01.07.2012</b>	<b>01.01.2011</b>	<b>01.07.2011</b>
Sulphur	Ton	228.574	63.792	278.069	104.226
Ammonia	Ton	375.750	128.273	528.834	183.312
Sulphuric Acid	Ton	78.675	32.327	102.238	25.411
Urea	Ton	278.072	75.133	295.383	85.822
Dap	Ton	-	-	19.972	-
Phosphoric Acid	Ton	1.586	-	-	-
<b>Total</b>		<b>962.657</b>	<b>299.525</b>	<b>1.224.496</b>	<b>398.771</b>



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

**18. SALES AND COST OF SALES (Cont.)**

**Cost of Sales (-)**

	<b>01.01.2012</b>	<b>01.07.2012</b>	<b>01.01.2011</b>	<b>01.07.2011</b>
	<b>30.09.2012</b>	<b>30.09.2012</b>	<b>30.09.2011</b>	<b>30.09.2011</b>
<b>Cost of Goods Produced</b>	<b>563.862.612</b>	<b>194.728.875</b>	<b>598.169.680</b>	<b>211.250.634</b>
Change in the goods inventory	55.081.641	10.326.483	(23.111.598)	(221.827)
-Goods at the beginning of the period	109.003.179	64.248.021	31.336.899	54.226.670
- Goods at the end of the period	(53.921.538)	(53.921.538)	(54.448.497)	(54.448.497)
<b>Cost of Goods Sold</b>	<b>618.944.253</b>	<b>205.055.358</b>	<b>575.058.081</b>	<b>211.028.806</b>
- Merchandise inventories at the beginning of the period	243.964.456	120.859.033	96.325.038	53.523.383
-Purchases	629.999.660	205.151.943	517.340.433	231.471.120
- Merchandise inventories at the end of the period	(182.474.044)	(182.474.044)	(120.092.760)	(120.092.760)
<b>Cost of Merchandise Sold</b>	<b>691.490.072</b>	<b>143.536.932</b>	<b>493.572.711</b>	<b>164.901.743</b>
<b>Cost of other sales</b>	<b>20.806.098</b>	<b>19.626.894</b>	<b>228.948</b>	<b>55.928</b>
<b>Total Cost of Sales</b>	<b>1.331.240.423</b>	<b>368.219.184</b>	<b>1.068.859.740</b>	<b>375.986.477</b>

<b><u>Production Amounts</u></b>						
			<b>01.01.2012</b>	<b>01.07.2012</b>	<b>01.01.2011</b>	<b>01.07.2011</b>
			<b>30.09.2012</b>	<b>30.09.2012</b>	<b>30.09.2011</b>	<b>30.09.2011</b>
<b>a) Gübre Fabrikaları T.A.Ş.</b>	<b>Unit</b>					
TSP Triple Superphosphate	Ton		90.280	37.440	77.700	22.680
NKP Compound Fertilizer	Ton		275.872	114.813	302.542	104.886
<b>Total</b>	<b>Ton</b>		<b>366.152</b>	<b>152.253</b>	<b>380.242</b>	<b>127.566</b>
Liquid Fertilizer	Lt		1.123.427	296.194	608.115	114.733
Powder Fertilizer	Kg		1.469.240	360.205	1.567.218	174.294
			<b>01.01.2012</b>	<b>01.07.2012</b>	<b>01.01.2011</b>	<b>01.07.2011</b>
<b>b) Razi Co.</b>	<b>Unit</b>		<b>30.06.2012</b>	<b>30.09.2012</b>	<b>30.09.2011</b>	<b>30.09.2011</b>
Sulphur	Ton		259.876	91.445	292.280	89.643
Ammonia	Ton		509.270	137.409	735.831	244.605
Sulphuric Acid	Ton		80.075	31.220	101.244	26.620
Urea	Ton		231.837	82.199	336.438	107.105
Dap	Ton		-	-	21.395	-
Phosphoric Acid	Ton		66	-	-	-
<b>Total</b>	<b>Ton</b>		<b>1.081.124</b>	<b>342.273</b>	<b>1.487.188</b>	<b>467.973</b>

**GÜBRE FABRİKALARI T.A.Ş. AND ITS SUBSIDIARY COMPANY****FOOTNOTES FOR FINANCIAL STATEMENTS FOR PERIOD THAT ENDED AS OF 30 SEPTEMBER 2012**

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

**19. FINANCIAL INCOMES**

	<b>01.01.2012</b>	<b>01.07.2012</b>	<b>01.01.2011</b>	<b>01.07.2011</b>
	<b>30.09.2012</b>	<b>30.09.2012</b>	<b>30.09.2011</b>	<b>30.09.2011</b>
Interest incomes	24.038.467	1.891.920	21.608.577	3.510.694
Foreign exchange profits	267.255.514	79.234.200	40.980.372	29.532.982
Sales delay interest	2.472.834	2.472.834	2.429.688	437.287
Other financial incomes	12.689.213	5.250.400	25.625	-
<b>Total</b>	<b>306.456.028</b>	<b>88.849.354</b>	<b>65.044.262</b>	<b>33.480.963</b>

**20. FINANCIAL EXPENSES (-)**

	<b>01.01.2012</b>	<b>01.07.2012</b>	<b>01.01.2011</b>	<b>01.07.2011</b>
	<b>30.09.2012</b>	<b>30.09.2012</b>	<b>30.09.2011</b>	<b>30.09.2011</b>
Credit Interest and Foreign exchange difference costs (net)	65.772.169	45.775.709	138.302.173	62.647.154
Foreign exchange differences	77.370.446	24.140.057	62.790.427	50.010.771
Other interest costs	326.244	(2.249.864)	1.999.699	(879.164)
Purchase delay interest	8.154.879	5.510.545	6.844.514	2.431.909
<b>Total</b>	<b>151.623.738</b>	<b>73.176.447</b>	<b>209.936.813</b>	<b>114.210.670</b>

**21. EARNINGS PER SHARE**

The weighted average of the shares and profit per share calculations of the company as of 30 September 2012 and 30 September 2011 are as follows:

	<b>01.01.2012</b>	<b>01.07.2012</b>	<b>01.01.2011</b>	<b>01.07.2011</b>
	<b>30.09.2012</b>	<b>30.09.2012</b>	<b>30.09.2011</b>	<b>30.09.2011</b>
Net Profit / (loss) of the period	131.811.446	69.902.402	54.120.182	26.995.431
Number of weighted average shares	83.500.000	83.500.000	83.500.000	83.500.000
<b>Profit/ loss per share (TL)</b>	<b>1,5786</b>	<b>0,8372</b>	<b>0,6481</b>	<b>0,3233</b>

**GÜBRE FABRİKALARI T.A.Ş. AND ITS SUBSIDIARY COMPANY****FOOTNOTES FOR FINANCIAL STATEMENTS FOR PERIOD THAT ENDED AS OF 30 SEPTEMBER 2012**

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

**22. STATEMENTS OF RELATED PARTIES****Transactions realized with related parties within the period****Trade receivables and payables**

<b>Trade Receivables (Main Shareholder)</b>	<b>30.09.2012</b>	<b>31.12.2011</b>
Central Union of Turkish Agricultural Credit Cooperatives	222.286.270	228.271.654
<b>Total</b>	<b>222.286.270</b>	<b>228.271.654</b>
<b>Trade Payables (Affiliates)</b>		
Negmar Denizcilik A.Ş.	4.000.000	-
<b>Total</b>	<b>4.000.000</b>	<b>-</b>
<b>Trade Payables (Affiliates)</b>		
Tarkim Bitki Koruma San.ve Tic.A.Ş.	21.258	47.259
Negmar Denizcilik A.Ş.	4.150.530	6.436.487
Tarnet A.Ş.	10.556	104.250
<b>Total</b>	<b>4.182.344</b>	<b>6.587.996</b>

Average maturity of sales to Central Union of Turkish Agricultural Credit Cooperatives are 15 days. Hence there aren't any delays in collection of revenues, there aren't 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.

**Sales – Purchases**

<b>Sales (Main Shareholder)</b>	<b>Type</b>	<b>30.09.2012</b>	<b>30.09.2011</b>
Tarım Kredi Koop.Merkez Birliği	Goods	716.574.683	708.481.096
<b>Sales (Subsidiaries)</b>			
Tarkim Bitki Koruma San.ve Tic.A.Ş.	Goods	102.248	178.878
Negmar Denizcilik A.Ş. ve Bağlı Ortaklıkları (*)	Services	930.800	1.157.230
<b>Total</b>		<b>717.607.731</b>	<b>709.817.204</b>
<b>Purchases (Affiliates)</b>			
Tarım Kredi Koop.Merkez Birliği	Services	20.014	634.205
<b>Purchases (Subsidiaries)</b>			
Tarkim Bitki Koruma San.ve Tic.A.Ş.	Goods	248.412	324.614
Negmar Denizcilik A.Ş. ve Bağlı Ortaklıkları (*)	Services	54.646.957	64.743.603
Tarnet A.Ş.	Services	393.345	249.291
<b>Total</b>		<b>55.308.728</b>	<b>65.951.713</b>

(\*) Group gets service for logistics and handling from Negmar Denizcilik A.Ş. and its affiliates. Service's due payment is 7 days.

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### FOOTNOTES FOR FINANCIAL STATEMENTS FOR PERIOD THAT ENDED AS OF 30 SEPTEMBER 2012

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

#### 22. STATEMENTS OF RELATED PARTIES (Cont.)

##### **Benefits Provided to Top Management**

The total benefits the company has provided to its top managers as of 30 September 2012 shown below table:

	30 September 2012		30 September 2011	
	Gübretaş	Razi	Gübretaş	Razi
Short term benefits to employees	1.021.315	1.100.321	905.353	1.096.568
Post employment benefits	-	-	-	-
Other long-term benefits	-	-	-	-
Dismissal benefits	-	-	-	-
Stock based payments	-	-	-	-
<b>Total</b>	<b>1.021.315</b>	<b>1.100.321</b>	<b>905.353</b>	<b>1.096.568</b>

#### 23. 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 2012 and 31 September 2011 is as follows;

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

**Foreign Exchange Position**

<b>Current Period (30.09.2012)</b>	<b>In TL (Functional currency)</b>	<b>In US Dollar</b>	<b>EUR</b>	<b>Million IRR</b>	<b>Yen</b>
1.Trade receivables	488.135.110	62.918.223	9.965.057	2.443.494	-
2a. Monetary financial assets (including cash, bank accounts)	414.503.806	185.770.413	3.361.598	520.338	2.715.101
2b.Non-monetary financial assets	-	-	-	-	-
3.Other	-	-	-	-	-
<b>4.Current assets (1+2+3)</b>	<b>902.638.916</b>	<b>248.688.636</b>	<b>13.326.655</b>	<b>2.963.832</b>	<b>2.715.101</b>
5. Trade receivables	15.202.479	-	-	105.281	-
6a. Monetary financial assets	-	-	-	-	-
6b. Non-monetary financial assets	-	-	-	-	-
7.Other	-	-	-	-	-
<b>8.Fixed assets (5+6+7)</b>	<b>15.202.479</b>	<b>-</b>	<b>-</b>	<b>105.281</b>	<b>-</b>
<b>9.Total assets (4+8)</b>	<b>917.841.395</b>	<b>248.688.636</b>	<b>13.326.655</b>	<b>3.069.113</b>	<b>2.715.101</b>
10.Trade payables	776.881.110	219.265.895	2.013.792	2.637.870	-
11.Financial liabilities	254.002.817	-	90.428.508	313.356	-
12a.Monetary other liabilities	70.227.476	2.223	34.800	485.756	-
12b. Non-monetary other liabilities	-	-	-	-	-
<b>13.Short term liabilities (10+11+12)</b>	<b>1.101.111.403</b>	<b>219.268.118</b>	<b>92.477.100</b>	<b>3.436.982</b>	<b>-</b>
14. Trade payables	-	-	-	-	-
15. Financial liabilities	103.498.326	-	44.833.583	-	-
16a. Monetary other liabilities	-	-	-	-	-
16b. Non-monetary other liabilities	-	-	-	-	-
<b>17. Long term liabilities (14+15+16)</b>	<b>103.498.326</b>	<b>-</b>	<b>44.833.583</b>	<b>-</b>	<b>-</b>
<b>18.Total liabilities (13+17)</b>	<b>1.204.609.729</b>	<b>219.268.118</b>	<b>137.310.683</b>	<b>3.436.982</b>	<b>-</b>
<b>19.Net Asset/ (liability) position of off-balance sheet derivative financial instruments over foreign currency (19a-19b)</b>	<b>20.524.050</b>	<b>11.500.000</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>19a. Amount of off-balance sheet derivative products having active character and over foreign currency</b>	<b>20.524.050</b>	<b>11.500.000</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>19b. Amount of off-balance sheet derivative products having passive character and over foreign currency</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>20. Net Foreign Exchange Asset/ (liability) Position (9-18+19)</b>	<b>(266.244.284)</b>	<b>40.920.518</b>	<b>(123.984.028)</b>	<b>(367.869)</b>	<b>2.715.101</b>
<b>21.Monetary items net foreign exchange asset/ (liability) position (IFRS 7.B23 (=1+2a+5+6a-10-11-12a-14-15-16a)</b>	<b>(286.768.334)</b>	<b>29.420.518</b>	<b>(123.984.028)</b>	<b>(367.869)</b>	<b>2.715.101</b>
<b>22.Total fair value of financial instruments used in foreign currency hedge</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>23.Amount of hedged portion of foreign currency assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>24. Amount of hedged portion of foreign currency liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>25.Export</b>	<b>674.345.678</b>	<b>377.848.198</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>26.Import</b>	<b>705.316.031</b>	<b>390.820.839</b>	<b>3.386.649</b>	<b>-</b>	<b>-</b>

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**FOOTNOTES FOR FINANCIAL STATEMENTS FOR PERIOD THAT ENDED AS OF 30 SEPTEMBER 2012**

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

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

**Foreign Exchange Position (Cont.)**

Previous Period (31.12.2011)	In TL (Functional currency)	In US Dollar	EUR	Million IRR
1.Trade receivables	410.806.141	181.170	2.765.323	2.405.876
2a. Monetary financial assets (including cash, bank accounts)	358.009.527	143.861.540	17.801.764	254.860
2b.Non-monetary financial assets	-	-	-	-
3.Other	-	-	-	-
<b>4.Current assets (1+2+3)</b>	<b>768.815.668</b>	<b>144.042.710</b>	<b>20.567.087</b>	<b>2.660.736</b>
5. Trade receivables	21.915.519	-	-	130.605
6a. Monetary financial assets	-	-	-	-
6b. Non-monetary financial assets	-	-	-	-
7.Other	-	-	-	-
<b>8.Fixed assets (5+6+7)</b>	<b>21.915.519</b>	-	-	<b>130.605</b>
<b>9.Total assets (4+8)</b>	<b>790.731.187</b>	<b>144.042.710</b>	<b>20.567.087</b>	<b>2.791.341</b>
10.Trade payables	808.721.717	264.377.903	711.497	1.833.132
11.Financial liabilities	413.967.225	10.000.000	75.733.853	1.251.489
12a.Monetary other liabilities	532.155	262.986	14.479	-
12b. Non-monetary other liabilities	-	-	-	-
<b>13.Short term liabilities (10+11+12)</b>	<b>1.223.221.097</b>	<b>274.640.889</b>	<b>76.459.829</b>	<b>3.084.621</b>
14. Trade payables	136.542.749	-	-	813.723
15. Financial liabilities	99.287.100	-	40.628.161	-
16a. Monetary other liabilities	-	-	-	-
16b. Non-monetary other liabilities	-	-	-	-
<b>17. Long term liabilities (14+15+16)</b>	<b>235.829.849</b>	-	<b>40.628.161</b>	<b>813.723</b>
<b>18.Total liabilities (13+17)</b>	<b>1.459.050.946</b>	<b>274.640.889</b>	<b>117.087.990</b>	<b>3.898.344</b>
<b>19.Net Asset/ (liability) position of off-balance sheet derivative financial instruments over foreign currency (19a-19b)</b>	<b>107.667.300</b>	<b>57.000.000</b>	-	-
<b>19a. Amount of off-balance sheet derivative products having active character and over foreign currency</b>	<b>107.667.300</b>	<b>57.000.000</b>	-	-
<b>19b. Amount of off-balance sheet derivative products having passive character and over foreign currency</b>	-	-	-	-
<b>20. Net Foreign Exchange Asset/ (liability) Position (9-18+19)</b>	<b>(560.652.459)</b>	<b>(73.598.179)</b>	<b>(96.520.903)</b>	<b>(1.107.003)</b>
<b>21.Monetary items net foreign exchange asset/ (liability) position (IFRS 7.B23 (=1+2a+5+6a-10-11-12a-14-15-16a))</b>	<b>(432.940.215)</b>	<b>(73.598.179)</b>	<b>(96.520.903)</b>	<b>(345.905)</b>
<b>22.Total fair value of financial instruments used in foreign currency hedge</b>	-	-	-	-
<b>23.Amount of hedged portion of foreign currency assets</b>	-	-	-	-
<b>24. Amount of hedged portion of foreign currency liabilities</b>	-	-	-	-
<b>25.Export</b>	<b>942.390.210</b>	<b>489.787.165</b>	<b>7.051.000</b>	-
<b>26.Import</b>	<b>1.004.600.522</b>	<b>531.844.206</b>	-	-

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

**FOOTNOTES FOR FINANCIAL STATEMENTS FOR PERIOD THAT ENDED AS OF 30 SEPTEMBER 2012**

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

**23. 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 2012 and 31 December 2011, 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 (30.09.2012)		Previous Period (31.12.2011)	
	Profit / Loss		Profit / Loss	
	Foreign Currency Appreciates	Foreign Currency Depreciates	Foreign Currency Appreciates	Foreign Currency Depreciates
<b>In case US Dollar currency appreciates/ depreciates by 10 percent:</b>				
1- Net asset/liability of US dollar	5.250.680	(5.250.680)	(13.901.960)	13.901.960
2- Value secured against US dollar (-)			-	-
<b>3- Net Effect of US dollar (1+2)</b>	<b>5.250.680</b>	<b>(5.250.680)</b>	<b>(13.901.960)</b>	<b>13.901.960</b>
<b>In case Euro currency appreciates/ depreciates by 10 percent:</b>				
4- Net asset/liability of Euro	(28.621.713)	28.621.713	(23.587.778)	23.587.778
5- Value secured against Euro (-)			-	-
<b>6- Net Effect of Euro (4+5)</b>	<b>(28.621.713)</b>	<b>28.621.713</b>	<b>(23.587.778)</b>	<b>23.587.778</b>
<b>In case Iranian Riyal currency appreciates/depreciates by 10 percent:</b>				
7- Net asset/liability of Iranian Riyal	(5.312.033)	5.312.033	(18.575.512)	18.575.512
8- Value secured against Iranian Riyal (-)	-	-	-	-
<b>9- Net Effect of Iranian Riyal (7+8)</b>	<b>(5.312.033)</b>	<b>5.312.033</b>	<b>(18.575.512)</b>	<b>18.575.512</b>
<b>10- Net effect of other foreign currencies</b>	<b>6.232</b>	<b>(6.232)</b>		-
<b>TOTAL (3+6+9+10)</b>	<b>(28.676.834)</b>	<b>28.676.834</b>	<b>(56.065.250)</b>	<b>56.065.250</b>

In addition to the analysis above, indicator Exchange rates from Iran Islamic Republic Central Bank and Central Bank of the Republic of Turkey were used in consolidated financial statements. If Iran Islamic Republic’s US\$ / IRR rate and its steady Turkey’s TL/US\$ were used instead as of balance sheet date, with fair re-calculated TL/IRR, parent company net profit would be 25 million TL lower.

**24. EVENTS AFTER BALANCE SHEET DATE**

Group Management has terminated the transfer of operational rights agreement with Denizciler Birliği Deniz Nakliyatı ve Ticaret Anonim Şirketi (“Denizciler Birliği”) related with its İskenderun Sarıseki located facilities which including land, building, port and warehouse units. Denizciler Birliği did not assign the facilities to Group, hence Group filed an eviction action during September.