

**GEDİK YATIRIM MENKUL
DEĞERLER A.Ş. AND ITS
SUBSIDIARIES CONSOLIDATED
FINANCIAL STATEMENTS
TOGETHER WITH INDEPENDENT
AUDITORS' REPORT
AS OF 31.12.2012**



**INDEPENDENT AUDITOR'S REPORT OF
GEDİK YATIRIM MENKUL DEĞERLER A.Ş. AND ITS SUBSIDIARIES
FOR THE YEAR ENDED 31.12.2012**

To the Board of Directors of
Gedik Yatırım Menkul Değerler A.Ş.

**Eren Bağımsız Denetim ve
Yeminli Mali Müşavirlik A.Ş.**
Asiye-i Hürriyet Caddesi
Belkon Center 2.11 C Kat 3
34381 Şişli / İstanbul, Turkey

T + 90 212 373 00 00
F + 90 212 291 77 97
www.gtturkey.com

Introduction

1. We have audited the accompanying consolidated financial statements of Gedik Yatırım Menkul Değerler A.Ş. and its subsidiaries ("the Group"), which comprise the consolidated balance sheet as at 31.12.2012, and the consolidated income statement, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes in accordance with the financial reporting standards of the Turkish Capital Markets Board.

Management's Responsibility for the Financial Statements

2. Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with financial reporting standards issued by the Turkish Capital Markets Board. In Turkey this responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Auditing Standards issued by the Turkish Capital Markets Board. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

Our audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud and/or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

4. In our opinion, the accompanying consolidated financial statements present fairly, the consolidated financial position of Gedik Yatırım Menkul Değerler A.Ş. and its subsidiaries as of 31.12.2012, and the consolidated results of its operations and cash flows for the year then ended in accordance with financial reporting standards issued by the Turkish Capital Markets Board (Note 2).

Eren Bağımsız Denetim ve Yeminli Mali Müşavirlik A.Ş.
Member Firm of GRANT THORNTON International



Nazım Hikmet
Partner

İstanbul, 04.03.2013

GEDİK YATIRIM MENKUL DEĞERLER A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2012 AND 2011
(Amounts expressed in TL unless otherwise indicated)

CONTENTS

BALANCE SHEETS

INCOME STATEMENTS

CHANGES IN SHAREHOLDERS' EQUITY STATEMENTS

CASH FLOW STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS (FOOTNOTES)

NOTE 1 ORGANIZATION AND NATURE OF OPERATIONS.....	
NOTE 2 BASIS OF PRESENTATION OF FINANCIAL STATEMENTS.....	
NOTE 3 BUSINESS COMBINATIONS	
NOTE 4 JOINT VENTURES	
NOTE 5 SEGMENT REPORTING.....	
NOTE 6 CASH AND CASH EQUIVALENTS.....	
NOTE 7 FINANCIAL INVESTMENTS	
NOTE 8 FINANCIAL LIABILITIES	
NOTE 9 OTHER FINANCIAL LIABILITIES.....	
NOTE 10 TRADE RECEIVABLES AND PAYABLES.....	
NOTE 11 OTHER RECEIVABLES AND PAYABLES.....	
NOTE 12 RECEIVABLES AND PAYABLES FROM FINANCE SECTOR ACTIVITIES.....	
NOTE 13 INVENTORIES.....	
NOTE 14 BIOLOGICAL ASSETS	
NOTE 15 RECEIVABLES FROM CONSTRUCTION CONTRACTS IN PROGRESS.....	
NOTE 16 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD.....	
NOTE 17 INVESTMENT PROPERTIES.....	
NOTE 18 PROPERTY PLANT AND EQUIPMENT.....	
NOTE 19 INTANGIBLE ASSETS	
NOTE 20 GOODWILL	
NOTE 21 GOVERNMENT GRANTS	
NOTE 22 PROVISIONS, CONTINGENT ASSETS AND CONTINGENT LIABILITIES	
NOTE 23 COMMITMENTS	
NOTE 24 RESERVE FOR EMPLOYMENT TERMINATION BENEFITS.....	
NOTE 25 RETIREMENT BENEFITS	
NOTE 26 OTHER ASSETS AND LIABILITIES	
NOTE 27 EQUITY.....	
NOTE 28 SALES AND COST OF SALES	
NOTE 29 RESEARCH AND DEVELOPMENT EXPENSES, MARKETING, SELLING AND DISTRIBUTION EXPENSES, GENERAL ADMINISTRATIVE EXPENSES.....	
NOTE 30 OPERATING EXPENSE BREAKDOWN	
NOTE 31 OTHER INCOME/EXPENSES	
NOTE 32 FINANCIAL INCOMES	
NOTE 33 FINANCIAL EXPENSES.....	
NOTE 34 ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS.....	
NOTE 35 TAX ASSETS AND LIABILITIES (INCLUDE DEFERRED TAX ASSETS AND LIABILITIES)	
NOTE 36 EARNINGS PER SHARE	
NOTE 37 DUE FROM/ DUE TO RELATED PARTIES	
NOTE 38 NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS	
NOTE 39 FINANCIAL INSTRUMENTS: DISCLOSURES (FAIR VALUE DISCLOSURES AND HEDGE ACCOUNTING DISCLOSURES).....	
NOTE 40 SUBSEQUENT EVENTS.....	
NOTE 41 MATTERS THAT MAY HAVE A MATERIAL EFFECT ON, OR PREVENT THE CLEAR UNDERSTANDING OF THE CONSOLIDATED FINANCIAL STATEMENTS	

GEDİK YATIRIM MENKUL DEĞERLER A.Ş.
CONSOLIDATED BALANCE SHEETS
AS OF 31.12.2012 AND 31.12.2011
(Amounts are expressed in Turkish Lira (TL) unless otherwise stated)

<u>ASSETS</u>	<u>Notes Reference</u>	<u>Audited 31.12.2012</u>	<u>Audited 31.12.2011</u>
CURRENT ASSETS		251.608.098	156.273.444
Cash and Cash Equivalents	6	138.546.553	83.143.010
Financial Investments	7	9.360.288	15.684.026
Trade Receivables			
- Due from Related Parties	10-37	15.013	28.986
- Other Receivables	10	100.553.279	54.415.895
Receivables From Finance Sector Activities	12	--	--
Other Receivables			
- Due from Related Parties	11-37	--	--
- Other Receivables	11	243.287	109.509
Inventories	13	--	--
Biological Assets	14	--	--
Other Current Assets	26	2.889.678	2.892.018
Intangible Assets Held for Sale	34	--	--
NON-CURRENT ASSETS		5.451.581	4.036.347
Trade Receivables	10	27.111	29.961
Receivables From Finance Sector Activities	12	--	--
Other Receivables	11	309.499	90.975
Financial Investments	7	865.569	462.073
Investments Accounted for Using the Equity Method	16	--	--
Biological Assets	14	--	--
Investment Properties	17	--	--
Property, Plant and Equipment	18	3.176.655	2.591.913
Intangible Assets	19	699.808	398.999
Goodwill	20	127.297	127.297
Deferred Tax Assets	35	245.342	334.218
Other Non-Current Assets	26	300	911
TOTAL ASSETS		<u>257.059.679</u>	<u>160.309.791</u>

The accompanying notes are an integral part of these consolidated financial statements.
(*): These consolidated financial statements were approved by the Board of Directors on 04.03.2013.

GEDİK YATIRIM MENKUL DEĞERLER A.Ş.
CONSOLIDATED BALANCE SHEETS
AS OF 31.12.2012 AND 31.12.2011
(Amounts are expressed in Turkish Lira (TL) unless otherwise stated)

LIABILITIES	Notes Reference	Audited 31.12.2012	Audited 31.12.2011
CURRENT LIABILITIES		177.600.273	86.932.467
Financial Liabilities	8	51.836.350	6.900.993
Other Financial Liabilities	9	--	--
Trade Payables			
- Due to Related Parties	10-37	12.976	71.582
- Other Payables	10	118.527.030	74.985.516
Other Liabilities			
- Due to Related Parties	11-37	--	--
- Other Payables	11	884.093	1.182.257
Payables From Finance Sector Activities	12	--	--
Government Grants	21	--	--
Current Income Tax Liabilities	35	3.218.571	3.182.694
Reserve for Employment Termination Benefit	24	171.864	164.262
Debt Provisions	22	2.949.389	445.163
Other Current Liabilities	26	--	--
Liabilities of Intangible Assets Held for Sale	34	--	--
NON-CURRENT LIABILITIES		1.394.144	1.209.705
Financial Liabilities	8	--	--
Other Financial Liabilities	9	--	--
Trade Payables	10	--	--
Other Liabilities	11	7.297	7.297
Payables From Finance Sector Activities	12	--	--
Government Grants	21	--	--
Debt Provisions	22	--	--
Reserve for Employment Termination Benefit	24	1.227.596	1.033.490
Deferred Tax Liabilities	35	159.251	168.918
Other Non-Current Liabilities	26	--	--
EQUITY		78.065.262	72.167.619
Parent Company Shareholders's Equity		74.357.663	68.516.453
Paid-in Capital	27.1	46.800.000	46.800.000
Investment and Share Capital Eliminating Adjustment (-)		--	--
Adjustments to Share Capital		--	--
Share Premium	27.2	291	285
Fair Value Reserve		--	--
Foreign Currency Translation Differences		--	--
Restricted Reserves	27.3	5.306.396	4.377.356
Previous Year's Profits / (Losses)	27.4	12.134.907	4.772.573
Net Profit / (Loss) for the Year	36	10.116.069	12.566.239
Minatory Interest		3.707.599	3.651.166
TOTAL LIABILITIES		257.059.679	160.309.791

The accompanying notes are an integral part of these consolidated financial statements.
(*): These consolidated financial statements were approved by the Board of Directors on 04.03.2013.

GEDİK YATIRIM MENKUL DEĞERLER A.Ş.
CONSOLIDATED INCOME STATEMENTS
FOR THE YEARS ENDED 01.01.-31.12.2012 AND 01.01.-31.12.2011
(Amounts are expressed in Turkish Lira (TL) unless otherwise stated)

	Notes Reference	Audited 01.01.- 31.12.2012	Audited 01.01.- 31.12.2011
<u>CONTINUING OPERATIONS</u>			
Sales	28	366.124.843	494.703.827
Interest and Future Delivery Operating Income, net	28	3.779.522	--
Other Operating Income/(Expense)	28	13.225.248	6.948.829
Cost of Sales (-)	28	(345.969.838)	(469.710.994)
Gross Profit / (Loss) from Trade Activities		37.159.775	31.941.662
Interest, Wage, Premium, Commission and Other Incomes		--	--
Interest, Wage, Premium, Commission and Other Expenses (-)		--	--
Gross Profit / (Loss) from Financing Activities		--	--
GROSS PROFIT / (LOSS)		37.159.775	31.941.662
Marketing, Selling and Distribution Expenses (-)	29	(2.719.790)	(3.528.714)
General Administrative Expenses (-)	29	(23.223.412)	(16.577.046)
Research Expenses (-)	29	--	--
Other Operating Income	31	1.544.445	924.192
Other Operating Expense (-)	31	(146.713)	(17.041)
OPERATING PROFIT / (LOSS)		12.614.305	12.743.053
Share from Profit/Loss in Investments Evaluated with Equity Method		--	--
Financial Income	32	7.630.644	8.042.867
Financial Expense (-)	33	(6.710.167)	(4.995.192)
PROFIT / (LOSS) BEFORE TAX FROM CONTINUING OPERATIONS		13.534.782	15.790.728
Income Tax / (Expense) From Continuing Operations		(3.297.778)	(3.056.481)
- Income Tax / (Expense)	35	(3.218.571)	(3.182.694)
- Deferred Tax (Charge) / Income	35	(79.207)	126.213
PROFIT / (LOSS) FROM CONTINUING OPERATIONS		10.237.004	12.734.247
<u>DISCONTINUED OPERATIONS</u>			
Profit / (Loss) From Discontinued Operations	34	--	--
PROFIT / (LOSS) FOR THE YEAR		10.237.004	12.734.247
Other Comprehensive Income:		--	--
Changes in Revaluation Surplus of Financial Assets		--	--
Changes in Revaluation Surplus of Intangible Assets		--	--
Changes in Hedge Fund for Financial Risk		--	--
Changes in Foreign Currency Conversion Adjustments		--	--
Actuarial Gains and Losses from Retirement Plans		--	--
Share from Comprehensive Receivables in Partnership Evaluate Method Evaluate		--	--
Tax Incomes/Expenses Related to Other Comprehensive Income		--	--
OTHER COMPREHENSIVE INCOME (AFTER TAX)		--	--
TOTAL COMPREHENSIVE INCOME		10.237.004	12.734.247
Profit / Loss Attributable to			
Minority Interest	27.5	120.935	168.008
Equity Holders of the Parent Company	36	10.116.069	12.566.239
Distribution for Total Comprehensive Income			
Minority Interest	27.5	--	--
Equity Holders of the Parent Company	36	--	--
Basic Earnings Per Share	36	0,2162	0,2685
Diluted Earnings Per Share	36	0,2162	0,2685
Earnings Per Share From Continuing Operations	36	0,2162	0,2685
Diluted Earnings Per Share From Continuing Operations	36	0,2162	0,2685

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

(*): These consolidated financial statements were approved by the Board of Directors on 04.03.2013.

GEDİK YATIRIM MENKUL DEĞERLER A.Ş.
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED 01.01.- 31.12.2012 AND 01.01.-31.12.2011
(Amounts are expressed in Turkish Lira (TL) unless otherwise stated)

	Share Capital (Notes 27.1)	Share Premium (Notes 27.2)	Restricted Reserves Set Aside From Profits (Notes 27.3)	Previous Years Income/(Loss) (Notes 27.4)	Minority Interest (Notes 27.5)	Profit/(Loss) For The Year (Notes 36)	Total Shareholders Equity
Balance at 01.01.2011	36.000.000	124	3.535.192	4.334.563	3.399.267	12.705.575	59.974.721
Share capital increase (Dipnot 27.1)	10.800.000	--	--	(10.800.000)	--	--	--
Share Premium	--	161	--	--	109	--	270
Dividends paid	--	--	--	(42)	--	--	(42)
Minority interest	--	--	200.551	(825.910)	83.782	--	(541.577)
Transfer	--	--	641.613	12.063.962	--	(12.705.575)	--
Net profit for the year	--	--	--	--	168.008	12.566.239	12.734.247
Balance at 31.12.2011	46.800.000	285	4.377.356	4.772.573	3.651.166	12.566.239	72.167.619
Balance at 01.01.2012	46.800.000	285	4.377.356	4.772.573	3.651.166	12.566.239	72.167.619
Share Premium	--	6	--	--	(6)	--	--
Dividends paid	--	--	--	(4.668.384)	--	--	(4.668.384)
Minority interest	--	--	--	393.519	(64.496)	--	329.023
Transfer	--	--	929.040	11.637.199	--	(12.566.239)	--
Net profit for the year	--	--	--	--	120.935	10.116.069	10.237.004
Balance at 31.12.2012	46.800.000	291	5.306.396	12.134.907	3.707.599	10.116.069	78.065.262

The accompanying notes are an integral part of these consolidated financial statements.
(*) These consolidated financial statements were approved by the Board of Directors on 04.03.2013.

GEDİK YATIRIM MENKUL DEĞERLER A.Ş.
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED 01.01.-31.12.2012 AND 01.01.-31.12.2011
(Amounts are expressed in Turkish Lira (TL) unless otherwise stated)

	Notes Reference	Audited 31.12.2012	Audited 31.12.2011
<u>A. Cash Flows From Operating Activities</u>			
Net Profit for the Year Before Tax		10.237.004	12.734.247
Adjustments that confirm the net cash amount, generated from or used in operating activities, with net profit:			
Depreciation and amortization expenses	18-19	719.868	459.269
Provision for employee termination benefits	24	194.106	682.908
Provisions no longer required		(314.973)	(192.411)
Value increase / (decrease) for financial assets	28	566.085	(119.301)
Foreign exchange gain / (loss)	28	46.568	(69.733)
Tax accrual (+)	28	3.297.778	3.056.481
(Profit)/Loss from consolidated participations		(120.935)	(168.008)
Unused vacation provision expense		7.602	50.344
Operating Profit Before Working Capital Change		14.633.103	16.433.796
<u>Changes in Working Capital:</u>			
Change in trade receivables and other receivables (-)	10	(45.939.366)	6.702.500
Change in other current and non-current assets	26	(215.573)	(572.223)
Change in trade receivables	10	43.243.350	(22.931.932)
Change in debts to related parties	10	(58.606)	16.159
Change in provisions for debt	22	2.504.226	(111.604)
Taxes Paid	35	(3.182.694)	(2.618.311)
Total		(3.648.663)	(19.515.411)
Net cash provided by operating activities		10.984.440	(3.081.615)
<u>B. Cash Flows From Investing Activities</u>			
Changes in financial assets	7	5.307.591	1.875.987
Share premium	27	--	270
Dividends paid	27	(4.668.384)	(42)
Purchases of property, plant and equipment and intangible assets, net	18	(1.626.068)	(876.283)
Cash flows from sells of property, plant and equipment(+)	18	20.649	--
		(966.212)	999.932
<u>C. Cash Flows From Financing Activities:</u>			
Net Cash Provided By / (Used In) Financial Liabilities	8	44.935.357	6.900.976
Changes in Shares Except Parent Company	11-37	449.958	(373.569)
Net Cash Provided By Financing Activities		45.385.315	6.527.407
Net Change in Cash and Cash Equivalents		55.403.543	4.445.724
Cash and Cash Equivalents at the Beginning of Year		83.143.010	85.346.856
Cash and Cash Equivalents at the End of Year		138.546.553	89.792.580

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

(*): These consolidated financial statements were approved by the Board of Directors on 04.03.2013.

GEDİK YATIRIM MENKUL DEĞERLER A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2012 AND 2011
(Amounts expressed in TL unless otherwise indicated)

CONTENTS

BALANCE SHEETS

INCOME STATEMENTS

CHANGES IN SHAREHOLDERS' EQUITY STATEMENTS

CASH FLOW STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS (FOOTNOTES)

NOTE 1 ORGANIZATION AND NATURE OF OPERATIONS.....	
NOTE 2 BASIS OF PRESENTATION OF FINANCIAL STATEMENTS.....	
NOTE 3 BUSINESS COMBINATIONS	
NOTE 4 JOINT VENTURES	
NOTE 5 SEGMENT REPORTING.....	
NOTE 6 CASH AND CASH EQUIVALENTS.....	
NOTE 7 FINANCIAL INVESTMENTS	
NOTE 8 FINANCIAL LIABILITIES	
NOTE 9 OTHER FINANCIAL LIABILITIES.....	
NOTE 10 TRADE RECEIVABLES AND PAYABLES.....	
NOTE 11 OTHER RECEIVABLES AND PAYABLES.....	
NOTE 12 RECEIVABLES AND PAYABLES FROM FINANCE SECTOR ACTIVITIES.....	
NOTE 13 INVENTORIES.....	
NOTE 14 BIOLOGICAL ASSETS	
NOTE 15 RECEIVABLES FROM CONSTRUCTION CONTRACTS IN PROGRESS.....	
NOTE 16 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD.....	
NOTE 17 INVESTMENT PROPERTIES.....	
NOTE 18 PROPERTY PLANT AND EQUIPMENT.....	
NOTE 19 INTANGIBLE ASSETS	
NOTE 20 GOODWILL	
NOTE 21 GOVERNMENT GRANTS	
NOTE 22 PROVISIONS, CONTINGENT ASSETS AND CONTINGENT LIABILITIES	
NOTE 23 COMMITMENTS	
NOTE 24 RESERVE FOR EMPLOYMENT TERMINATION BENEFITS.....	
NOTE 25 RETIREMENT BENEFITS	
NOTE 26 OTHER ASSETS AND LIABILITIES	
NOTE 27 EQUITY.....	
NOTE 28 SALES AND COST OF SALES	
NOTE 29 RESEARCH AND DEVELOPMENT EXPENSES, MARKETING, SELLING AND DISTRIBUTION EXPENSES, GENERAL ADMINISTRATIVE EXPENSES.....	
NOTE 30 OPERATING EXPENSE BREAKDOWN	
NOTE 31 OTHER INCOME/EXPENSES	
NOTE 32 FINANCIAL INCOMES	
NOTE 33 FINANCIAL EXPENSES.....	
NOTE 34 ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS.....	
NOTE 35 TAX ASSETS AND LIABILITIES (INCLUDE DEFERRED TAX ASSETS AND LIABILITIES)	
NOTE 36 EARNINGS PER SHARE	
NOTE 37 DUE FROM/ DUE TO RELATED PARTIES	
NOTE 38 NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS	
NOTE 39 FINANCIAL INSTRUMENTS: DISCLOSURES (FAIR VALUE DISCLOSURES AND HEDGE ACCOUNTING DISCLOSURES).....	
NOTE 40 SUBSEQUENT EVENTS.....	
NOTE 41 MATTERS THAT MAY HAVE A MATERIAL EFFECT ON, OR PREVENT THE CLEAR UNDERSTANDING OF THE CONSOLIDATED FINANCIAL STATEMENTS	

GEDİK YATIRIM MENKUL DEĞERLER A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2012 AND 2011
(Amounts expressed in TL unless otherwise indicated)

1. ORGANIZATION AND NATURE OF OPERATIONS

Gedik Yatırım Menkul Değerler A.Ş. (“The Company”) and its subsidiaries (“Group”) are operating in capital market brokerage, portfolio management and other capital market activities.

The Company has certificates of authorization from the Turkish Capital Markets Board (“CMB”), as shown below;

- Commission Agent Authorization Certificate (Acquisition Date/No: September 22, 1998 – ARK/ASA-276).
- Purchase and Sell Authorization Certificate with Repo and Reverse Repo Promise to Securities (Acquisition Date/No: September 22, 1998 – ARK/RP-184).
- Purchasing and Selling to Derivative Financial Instruments Authorization Certificate (Acquisition Date/No: January 14, 2005 – ARK/TAASA-39).
- Portfolio Management Authorization Certificate (Acquisition Date/No: September 22, 1998 – ARK/PY-165)
- Investment Consultancy Authorization Certificate (Acquisition Date/No: September 22, 1998 – ARK/YD-142)
- Authorization Certificate for Public Listing Brokerage (Acquisition Date/No: September 22, 1998 – ARK/HAA-199)
- Authorization Certificate for Margin Trading, Short Selling and Borrowing – Lending to Securities (Acquisition Date/No: September 22, 1998 – ARK/KRD-145)
- Authorization Certificate for Leveraged Transactions (Acquisition Date/No: March 09, 1998 – ARK/KAS-2)

The Company’s address is at Cumhuriyet Mah. E-5 Yanyol No:29 34876 Kartal/ İstanbul.

Issued share and paid-up capital of the Company is TL 46.800.000 and the main partners are Erhan Topaç and Gedik Group (Note 27).

The Company’s authorized equity ceiling is TL 50.000.000. The Company’s upper limit of registered capital is TL 50.000.000. The Company made application about increasing existing upper limit of registered capital from TL 50.000.000 to TL 100.000.000. Permission was obtained with Capital Market Board’s decision dated 21.09.2012 and B.02.6.SPK.0.13.00-110.03.02-2196 - 9400 numbered, Ministry of Customs and Trade Domestic Trade General Directorate’s decision dated 26.09.2012 and B-21.0.İTG.0.03.01.00/431.02-49364-1003377-7565 - 6400 numbered.

As of 31.12.2012 the Group has 313 employees in total and 274 employees work in the Parent company and 39 employees work in the subsidiaries (31.12.2011: 260 employees).

Approval of Financial Statements

Accompanying consolidated financial statements, have been approved for issue by the Board of Directors on 04.03.2013. The General Assembly has the authority to revise the financial statements which were prepared in accordance with the statutory requirements.

GEDİK YATIRIM MENKUL DEĞERLER A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2012 AND 2011
(Amounts expressed in TL unless otherwise indicated)

1. ORGANIZATION AND NATURE OF OPERATIONS (Continued)

Addresses

Headquarter	:Cumhuriyet Mah. E-5 Yanyol No:29 34876 Kartal/İstanbul
Branch (Altıyol)	:Hacı Mehmet Sk. No:24 E Dalyan Konut Sitesi D:6 Fenerbahçe/Kadıköy/İstanbul
Branch (Ankara)	:Sümer Birinci Sk. No:13/3 Ankara
Branch (Antalya)	:H.Ahmet Bedestenli No: 5/29 Antalya : Cevizlik Mah. Muhasebeci Sok. Neşe Han No:1 Kat:3
Branch (Bakırköy)	Bakırköy/İstanbul
Branch (Bursa)	:Şehreküstü Mah. No:17 Bursa
Branch (Caddebostan)	:Bağdat Cad. Murat Apt. No:340 K: 2 D.10 Kadıköy/İstanbul
Branch (Denizli)	:Saraylar Mah. No:56 Denizli
Branch (Düzce)	: Ceditiye Mah. Büyük Cami Sk. No:17 K:1 / Düzce
Branch (Elazığ)	:Yeni Mah. Gazi Cad. No:28/3 Elazığ
Branch (Eskişehir)	:Köprübaşı No:1/4 Eskişehir
Branch (Gaziantep)	:Atatürk Bulvarı Ferah Apt. D.4 Şahinbey / Gaziantep
Branch (Samsun)	:Kale Mah. Ziyapaşa Sok. No:4 İlkadım / Samsun
Branch (Gebze)	:Hacı Halil Mah No:95 K:1 Gebze :Cumhuriyet Bulvarı Bulvarı No:131 Cevher Apt. Kat:2 D: 3,4
Branch (İzmir)	Alsancak / İzmir
Branch (Kapalıçarşı)	:Kürkçüler Sk. No:25 Eminönü
Branch (Konya)	:Nalçacı Cad. Acentacılar Sitesi No:81 Selçuklu / Konya
Branch (Maltepe)	:Gedik İş Hanı No:162/2 Maltepe/İstanbul
Branch (Manisa)	:Anafartalar Mah. Mustafa Kemal Paşa Cad. No: 34-1 Manisa
Branch (Muğla)	:Şeyh Mah. Bankalar Cad. Naipiler Sok. Zihni Derin Alışveriş Merkezi Kat:1 No:29 Muğla
Branch (Şaşkınbakkal)	:Bağdat Cad No:377/5 Suadiye/İstanbul
Branch (Tophane)	:N.Bey Cad No:24 Tophane/İstanbul
Branch (Uşak)	:İsmetpaşa Cad. No:63 Kat:2 Mavi Plaza / Uşak
Branch (Ümraniye)	:Atatürk Mah. No:122/2 Ümraniye
Branch (Etiler)	:Aydar Cad. Metro İş hanı No:10 D:6-7 K:2-3 Levent / İstanbul :Gülbahar Mah. Avni Dilligil Sok. Çelik İş Merkezi B Blok No:9/11
Branch (Perpa)	Mecidiyeköy/İstanbul
Branch (Çankaya)	:Simon Bolivar Cad. No:8/6 Çankaya / Ankara
Branch (Ulus)	:Ulus Şehir Çarşısı No:170 Ulus / Ankara
Branch (Gaziosmanpaşa)	:Merkez Mah. Cami Karşısı No:88 K:3 Gaziosmanpaşa / İstanbul

The details of the Group's subsidiaries included in full consolidation are as follows (Note 2):

<u>Company Name</u>	<u>Nature of Activity</u>
Marbaş Menkul Değerler A.Ş.	Brokerage
Gedik Portföy Yönetimi A.Ş.	Portfolio Management
Gedik Yatırım Ortaklığı A.Ş.	Investment Trust
Gedik Girişim Sermayesi Yatırım Ortaklığı A.Ş. (Formerly Marbaş B Tipi Menkul Kıymetler Yatırım Ortaklığı A.Ş.)	Securities Investment Trust

GEDİK YATIRIM MENKUL DEĞERLER A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2012 AND 2011
(Amounts expressed in TL unless otherwise indicated)

Subsidiary 1 : Marbaş Menkul Değerler A.Ş.

Marbaş Menkul Değerler A.Ş. (“the Company”) was registered at Istanbul Trade Registry on July 18, 1990 and its establishment was published in the Trade Registry Gazette No: 2576 on July 30, 1990. The purpose of the Company is to perform in capital market activities in accordance with its Articles of Association and Turkish Capital Markets Law.

The Company’s address is at Maslak, Eski Büyükdere Cad. Sümer Sok. Ayazağa Ticaret Merkezi No: 3/12 Şişli / İstanbul.

As of 31.12.2012, the Company has 29 employees. (31.12.2011: 21 employees).

As at 31.12.2012, Parent company’s effective share percentage in Marbaş Menkul Değerler A.Ş. is shown below:

Company Name	Nature of Activity	Issued Share Capital	Direct Participation Rate (%)	Total Participation Rate (%)
Marbaş Menkul Değerler A.Ş.	Brokerage	5.000.000	99,996	99,996

Subsidiary 2 : Gedik Portföy Yönetimi A.Ş.

Gedik Portföy Yönetimi A.Ş. (“the Company”) was registered at the Istanbul Trade Registry on 28.02.2008 and its establishment was published in the Trade Registry Gazette No: 7013 on 05.03.2008. The Company is engaged to perform in capital market activities in accordance with its Articles of Association and Turkish Capital Markets Law.

The Company’s address is at Cumhuriyet Mahallesi E-5 Yanyol No:29 Kat:3 Yakacık, Kartal/İstanbul.

As of 31.12.2012, the Company has 3 employees. (31.12.2011: 6 employees).

As at 31.12.2011, of the Parent company’s effective share percentage in Gedik Portföy Yatırım A.Ş. is shown below:

Company Name	Nature of Activity	Issued Share Capital	Direct Participation Rate (%)	Indirect Participation Rate (%)	Total Participation Rate (%)
Gedik Portföy Yönetimi A.Ş.	Portfolio Management	1.000.000	88,997	11,00	99,997

GEDİK YATIRIM MENKUL DEĞERLER A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2012 AND 2011
(Amounts expressed in TL unless otherwise indicated)

Subsidiary 3 : Gedik Yatırım Ortaklığı A.Ş.

Gedik Yatırım Ortaklığı A.Ş. (“the Company) is an A Type Investment Trust company and it was established in Istanbul on March 12, 1998. The business nature of the Company is to operate in capital market instruments and gold and other precious metal portfolios in national and international markets or over the counter markets.

The Company’s old address was at “Cumhuriyet Mahallesi Yakacık Yan Yol No: 63 Kat: 3 Kartal /Istanbul.” The Company has moved to new address where is at “Esentepe Mahallesi Büyükdere Caddesi Levent Loft Residence No:201 K:7 D:116 Şişli/İstanbul”. As of 05.02.2013, the new address was registered and started to operate at new address. Also there is no branch of the company.

As of 31.12.2012, the Company has 2 employees. (31.12.2011: 2 employees).

As at 31.12.2012, Parent company’s effective share percentage in Gedik Yatırım Ortaklığı A.Ş. is shown below:

Company Name	Nature of Activity	Issued Share Capital	Direct Participation Rate (%)	Total Participation Rate (%)
Gedik Yatırım Ortaklığı A.Ş.	Investment Trust	10.000.000	77,93	77,93

Subsidiary 4 : Gedik Girişim Sermayesi Yatırım Ortaklığı A.Ş.

Subsidiary was founded with Istanbul Chamber of Commerce’s registry 29.09.2006 dated and 6653 numbered at 25.09.2006 with name of Marbaş B Tipi Menkul Kıymetler Yatırım Ortaklığı A.Ş.. The Company held a meeting about changing its name at 19.04.2012 and changed its name with Istanbul Chamber of Commerce’s registry 30.04.2012 dated. The Company’ new name is “Gedik Girişim Sermayesi Yatırım Ortaklığı A.Ş.”.

The Company operates its activities in accordance with communiqués related to investment trusts promulgated by Turkish Capital Markets Board. Purpose of the Company is to manage capital market instruments and gold and other precious metal portfolios in national and international markets and over the counter markets in accordance with the Turkish Securities Exchange Act number 2499.

The Company’s address is at Cumhuriyet Mah. E-5 Yanyol No:29 Kat:3 Yakacık-Kartal/Istanbul. Also there is no branch of the company.

As of 31.12.2012, the Company has 5 employees. (31.12.2011: 3 employees).

As at 31.12.2012 Parent company’s effective share percentage in Gedik Girişim Sermayesi Yatırım Ortaklığı A.Ş. is shown below:

Company Name	Nature of Activity	Issued Share Capital	Direct Participation Rate (%)	Total Participation Rate (%)
Gedik Girişim Sermayesi Yatırım Ortaklığı A.Ş.	Investment Trust	5.148.000	74,79	74,79

GEDİK YATIRIM MENKUL DEĞERLER A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2012 AND 2011
(Amounts expressed in TL unless otherwise indicated)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

A. Basis of presentations

Basis of Accounting Standards Applied

The Group maintains its books of accounts and prepares its statutory financial statements in accordance with accounting principles in the Turkish Commercial Code (“TCC”) and tax legislation.

The Communiqué No: XI//29 issued by the Turkish Capital Markets Board in respect of Financial Reporting in the Capital Markets which is effective from the first interim financial statements subsequent to 01.01.2008 states that the financial statements should be prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union.

However, International Financial Reporting Standards (IFRS) will continue to be applied until the differences between the International Financial Reporting Standards (IFRS) and those adopted by the European Union will be declared by the Turkish Accounting Standards Board (TASB). Within this framework, the Turkish Accounting /Financial Reporting Standards (TFRS) which are published by the Turkish Accounting Standards Board and which are in compliance with the adopted standards will be applied. The consolidated financial statements and the related notes to them are presented in accordance with the formats required at the announcements of Turkish Capital Markets Board those numbered 2008/16, 2008/18, 2009/2.

Comparative Figures

In order to determine the financial status and performance trends, the financial statements of the Group have been prepared in comparison with the financial statements of previous periods. Comparative figures are reclassified, where necessary, to conform to changes in presentation in the current year consolidated financial statements.

Assumption of Going Concern

The consolidated financial statements of the Group are prepared on a going concern basis, which presumes the realization of assets and settlement of liabilities of the Company and its consolidated subsidiaries and associates in the normal course of operations and in the foreseeable future.

Functional and Presentation Currency

The individual financial statements of each group entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency). For the purpose of the consolidated financial statements, the results and financial position of each entity are expressed in TL, which is the functional and presentation currency of the Group.

Inflation Accounting

Capital Market Board made an announcement on 17.03.2005 to the effect that inflation accounting should be discontinued for companies that operate in Turkey and prepare their financial statements in accordance with Accounting and Reporting Standards issued by the Capital Markets Board in effect from 01.01.2005. Based on this resolution the financial statements of the Group as from 01.01.2005 were not restated for the effects of inflation accounting as required by IAS 29” Financial Reporting in Hyperinflationary Economies”. The financial statements as of 31.12.2004 were expressed at the purchasing power of TL as 31.12.2004.

Offsetting

Consolidated financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liabilities simultaneously.

GEDİK YATIRIM MENKUL DEĞERLER A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2012 AND 2011
(Amounts expressed in TL unless otherwise indicated)

The new standards, amendments and interpretations

The accounting policies adopted in preparation of the consolidated financial statements as at 31 December 2012 are consistent with those of the previous financial year, except for the adoption of new and amended IFRS and IFRIC interpretations effective as of 1 January 2012. The effects of these standards and interpretations on the Group's financial position and performance have been disclosed in the related paragraphs.

The new standards, amendments and interpretations which are effective as at 1 January 2012 are as follows:

IAS 12 Income Taxes: Recovery of Underlying Assets (Amendment)

IAS 12 has been updated to include i) a rebuttable presumption that deferred tax on investment property measured using the fair value model in IAS 40 should be determined on the basis that its carrying amount will be recovered through sale and ii) a requirement that deferred tax on non-depreciable assets, measured using the revaluation model in IAS 16, should always be measured on a sale basis. These amendments will be applied retrospectively. This amendment had no impact on the financial position or performance of the Group.

IFRS 7 Financial Instruments: Disclosures - Enhanced Derecognition Disclosure Requirements (Amended)

The purpose of this amendment is to allow users of financial statements to improve their understanding of transfer transactions of financial assets (e.g. securitizations), including understanding the possible effects of any risks that may remain with the entity which transferred the assets. The amendment also requires additional disclosures if a disproportionate amount of transfer transactions are undertaken around the end of a reporting period. Comparative disclosures are not required. The amendment affects disclosures only and did not have any impact on the financial position or performance of the Group.

Standards issued but not yet effective and not early adopted

Standards, interpretations and amendments to existing standards that are issued but not yet effective up to the date of issuance of the (consolidated) financial statements are as follows. The Group will make the necessary changes if not indicated otherwise, which will be affecting the interim condensed consolidated financial statements and disclosures, after the new standards and interpretations become in effect.

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

Amended standard is effective for annual periods beginning on or after 1 July 2012. The amendments to IAS 1 change only the grouping of items presented in other comprehensive income. Items that could be reclassified to profit or loss at a future point in time would be presented separately from items which will never be reclassified. The amendments will be applied retrospectively. The amendment affects presentation only and will have no impact on the financial position or performance of the Group.

GEDİK YATIRIM MENKUL DEĞERLER A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2012 AND 2011
(Amounts expressed in TL unless otherwise indicated)

The new standards, amendments and interpretations (Continued)

IAS 19 Employee Benefits (Amended)

Amended standard is effective for annual periods beginning on or after 1 January 2013, with earlier application permitted. With very few exceptions retrospective application is required. Numerous changes or clarifications are made under the amended standard. Among these numerous amendments, the most important changes are removing the corridor mechanism, for determined benefit plans recognizing actuarial gain/(loss) under other comprehensive income and making the distinction between short-term and other long-term employee benefits based on expected timing of settlement rather than employee entitlement. Since the Group recognizes the actuarial income and loss in the other comprehensive income statement, the amendment of the standard will not have any impact on the financial position or performance of the Group.

IAS 27 Separate Financial Statements (Amended)

As a consequential amendment to IFRS 10 and IFRS 12, the IASB also amended IAS 27, which is now limited to accounting for subsidiaries, jointly controlled entities, and associates in separate financial statements. Transitional requirement of this amendment is similar to IFRS 10. This amendment will not have any impact on the financial position or performance of the Group.

IAS 28 Investments in Associates and Joint Ventures (Amended)

As a consequential amendment to IFRS 11 and IFRS 12, the IASB also amended IAS 28, which has been renamed IAS 28 Investments in Associates and Joint Ventures, to describe the application of the equity method to investments in joint ventures in addition to associates. Transitional requirement of this amendment is similar to IFRS 11. The Group does not expect that this amendment will have any impact on the financial position or performance of the Group.

IAS 32 Financial Instruments: Presentation - Offsetting Financial Assets and Financial liabilities (Amended)

The amendments clarify the meaning of —currently has a legally enforceable right to set-off and also clarify the application of the IAS 32 offsetting criteria to settlement systems (such as central clearing house systems) which apply gross settlement mechanisms that are not simultaneous. These amendments are to be retrospectively applied for annual periods beginning on or after 1 January 2014. The Group does not expect that these amendments will have significant impact on the financial position or performance of the Group.

IFRS 7 Financial Instruments: Disclosures - Enhanced Derecognition Disclosure Requirements (Amended)

New disclosures would provide users of financial statements with information that is useful in (a) evaluating the effect or potential effect of netting arrangements on an entity's financial position and (b) analyzing and comparing financial statements prepared in accordance with IFRSs and other generally accepted accounting standards. The amendments are to be retrospectively applied for annual periods beginning on or after 1 January 2013 and interim periods within those annual periods. The amendment affects disclosures only and will have no impact on the financial position or performance of the Group.

GEDİK YATIRIM MENKUL DEĞERLER A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2012 AND 2011
(Amounts expressed in TL unless otherwise indicated)

The new standards, amendments and interpretations (Continued)

IFRS 9 Financial Instruments – Classification and measurement

As amended in December 2011, the new standard is effective for annual periods beginning on or after 1 January 2015. Phase 1 of this new IFRS introduces new requirements for classifying and measuring financial instruments. The amendments made to IFRS 9 will mainly affect the classification and measurement of financial assets and measurement of fair value option (FVO) liabilities and requires that the change in fair value of a FVO financial liability attributable to credit risk is presented under other comprehensive income. Early adoption is permitted. This standard has not yet been endorsed by the EU. The Group is in the process of assessing the impact of the amendment on financial position or performance of the Group.

IFRS 10 Consolidated Financial Statements

The standard is effective for annual periods beginning on or after 1 January 2014 and is applied on a modified retrospective basis. This new Standard may be adopted early, but IFRS 11 Joint Arrangements and IFRS 12 Disclosure of Interests in Other Entities should be also adopted early.

IAS 27 Consolidated and Separate Financial Statements that addresses the accounting for consolidated financial statements. A new definition of control is introduced, which is used to determine which entities are consolidated. This is a principle based standard and require preparers of financial statements to exercise significant judgment. This amendment will not have any impact on the financial position or performance of the Group.

IFRS 11 Joint Arrangements

The standard is effective for annual periods beginning on or after 1 January 2014 and is applied on a modified retrospective basis. This new Standard may be adopted early, but IFRS 10 Consolidated Financial Statements and IFRS 12 Disclosure of Interests in Other Entities should be also adopted early.

The standard describes the accounting for joint ventures and joint operations with joint control. Among other changes introduced, under the new standard, proportionate consolidation is not permitted for joint ventures. The Group does not expect that this standard will have any impact on the financial position or performance of the Group.

IFRS 12 Disclosure of Interests in Other Entities

The standard is effective for annual periods beginning on or after 1 January 2014 and is applied on a modified retrospective basis. This new Standard may be adopted early, but IFRS 10 Consolidated Financial Statements and IFRS 11 Joint Arrangements should be also adopted early.

IFRS 12 includes all of the disclosures that were previously in IAS 27 Consolidated and Separate Financial Statements related to consolidated financial statements, as well as all of the disclosures that were previously included in IAS 31 Interests in Joint Ventures and IAS 28 Investment in Associates. These disclosures relate to an entity's interests in subsidiaries, joint arrangements, associates and structured entities. Under the new standard the Group will provide more comprehensive disclosures for interests in other entities.

GEDİK YATIRIM MENKUL DEĞERLER A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2012 AND 2011
(Amounts expressed in TL unless otherwise indicated)

The new standards, amendments and interpretations (Continued)

IFRS 13 Fair Value Measurement

The new Standard provides guidance on how to measure fair value under IFRS but does not change when an entity is required to use fair value. It is a single source of guidance under IFRS for all fair value measurements. The new standard also brings new disclosure requirements for fair value measurements. IFRS 13 is effective for annual periods beginning on or after 1 January 2013 and will be adopted prospectively. Early application is permitted. The new disclosures are only required for periods beginning after IFRS 13 is adopted — that is, comparative disclosures for prior periods are not required. The Group does not expect that this standard will have significant impact on the financial position or performance of the Group.

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

The Interpretation is effective for annual periods beginning on or after 1 January 2013 with earlier application permitted. Entities will be required to apply its requirements for production phase stripping costs incurred from the start of the earliest comparative period presented. The Interpretation clarifies when production stripping should lead to the recognition of an asset and how that asset should be measured, both initially and in subsequent periods. The interpretation is not applicable for the Group and will not have any impact on the financial position or performance of the Group.

Transition Guidance (Amendments to IFRS 10, IFRS 11 and IFRS 12)

The guidance is effective for annual periods beginning on or after 1 January 2013. The amendments change the transition guidance to provide further relief from full retrospective application. The date of initial application is defined as ‘the beginning of the annual reporting period in which IFRS 10 is applied for the first time’. The assessment of whether control exists is made at ‘the date of initial application’ rather than at the beginning of the comparative period. If the control assessment is different between IFRS 10 and IAS 27/SIC-12, retrospective adjustments should be determined. However, if the control assessment is the same, no retrospective application is required. If more than one comparative period is presented, additional relief is given to require only one period to be restated. For the same reasons IASB has also amended IFRS 11 Joint Arrangements and IFRS 12 Disclosure of Interests in Other Entities to provide transition relief. This guidance has not yet been endorsed by the EU. The Group is in the process of assessing the impact of the new revised standard on financial performance or position of the Group.

GEDİK YATIRIM MENKUL DEĞERLER A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2012 AND 2011
(Amounts expressed in TL unless otherwise indicated)

The new standards, amendments and interpretations (Continued)

Improvements to IFRSs

The IASB has issued the Annual Improvements to IFRSs – 2009 – 2011 Cycle, which contains amendments to its standards. The annual improvements project provides a mechanism for making necessary, but non-urgent, amendments to IFRS. The effective date for the amendments is for annual periods beginning on or after 1 January 2013. Earlier application is permitted in all cases, provided that fact is disclosed. This project has not yet been endorsed by the EU. The Group does not expect that this project will have significant impact on the financial position or performance of the Group.

IAS 1 Financial Statement Presentation:

Clarifies the difference between voluntary additional comparative information and the minimum required comparative information.

IAS 16 Property, Plant and Equipment:

Clarifies that major spare parts and servicing equipment that meet the definition of property, plant and equipment are not inventory.

IAS 32 Financial Instruments: Presentation:

Clarifies that income taxes arising from distributions to equity holders are accounted for in accordance with IAS 12 Income Taxes. The amendment removes existing income tax requirements from IAS 32 and requires entities to apply the requirements in IAS 12 to any income tax arising from distributions to equity holders.

IAS 34 Interim Financial Reporting:

Clarifies the requirements in IAS 34 relating to segment information for total assets and liabilities for each reportable segment. Total assets and liabilities for a particular reportable segment need to be disclosed only when the amounts are regularly provided to the chief operating decision maker and there has been a material change in the total amount disclosed in the entity's previous annual financial statements for that reportable segment.

IFRS 10 Consolidated Financial Statements (Amendment)

IFRS 10 is amended to provide an exception to the consolidation requirement for entities that meet the definition of an investment entity. The exception to consolidation requires investment entities to account for subsidiaries at fair value through profit or loss in accordance with IFRS 9 Financial Instruments. The amendment applies for annual periods beginning on or after 1 January 2014 with earlier application permitted. This guidance has not yet been endorsed by the EU. The amendment will have no impact on the financial position or performance of the Group.

GEDİK YATIRIM MENKUL DEĞERLER A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2012 AND 2011
(Amounts expressed in TL unless otherwise indicated)

Basis of Consolidation

Subsidiaries

The Subsidiary is the Company in which the Company has the power to control the financial and operating policies for the benefit of the Company either through the power to exercise more than 50% of voting rights relating to shares in the companies as a result of shares owned directly and indirectly by itself; or although not having the power to exercise more than 50% of the voting rights, through the exercise of an actual dominant influence over the financial and operating policies.

The details of the Group's subsidiaries included in full consolidation are as follows:

	Head Office Location	Total Participation Rate (%)	Nature of Activity
Marbaş Menkul Değerler A.Ş.	Istanbul	99,996	Brokerage
Gedik Portföy Yönetimi A.Ş.	Istanbul	99,997	Portfolio Management
Gedik Yatırım Ortaklığı A.Ş.	Istanbul	77,93	Mutual Fund
Gedik Girişim Sermayesi Yatırım Ortaklığı A.Ş. (Formerly Marbaş B Tipi Menkul Kıymetler Yatırım Ortaklığı A.Ş.)	Istanbul	74,79	Venture fund

The basis of consolidation is set out below:

- The statements of financial position and the statements of income of the subsidiaries are consolidated on a line-by-line basis and the carrying value of the investment held by the Parent Company and its subsidiary is eliminated against the related shareholders' equity.
- Intra-group balances and transactions of consolidated entities including sales goods and services, intra-group income, expenses and dividends are eliminated in full.
- The income and expenses of a subsidiary are included in the consolidated financial statements from the acquisition date as declared in IFRS 3.
- The income and expenses of a subsidiary are included in the consolidated financial statements until the date on which the parent ceases to control the subsidiary
- Profits and losses arising from intra-group transactions that are recognized in current and non-current assets are eliminated in full.
- Minority interests represent the portion of profit or loss and net assets not held by the Group and are presented separately in the income statement and within equity in the consolidated statement of financial position, separately from parent shareholders' equity.

GEDİK YATIRIM MENKUL DEĞERLER A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2012 AND 2011
(Amounts expressed in TL unless otherwise indicated)

B. Changes in Accounting Policies

Material changes in accounting policies are applied retrospectively and the prior period consolidated financial statements are restated. The Group has applied its accounting policies consistently with prior period.

C. Changes in Accounting Estimates and Corrections of Errors

If the application of changes in the accounting estimates affect the financial results of a specific period, the accounting estimate change is applied in that specific period, if they affect the financial results of current and following periods; the accounting policy estimate is applied prospectively in the period in which such change is made. The Group did not have any major changes in the accounting estimates during the current period.

Comparative figures are reclassified, where necessary, to conform to changes in presentation in the current period so that the reclassification will result in a more appropriate presentation of events or transactions.

Errors within the scope of IAS/IFRS, occurs during the recognition, measurement and representation of consolidated financial statements accounts. If the consolidated financial statements has deliberate errors, they are accepted as ineligible for interntional accounting standards. Errors which was made in current period and noticed before approved must be corrected in the current period. Errors which was noticed in later periods should be corrected following financial statements.

In the accompanying consolidated financial statements of the Group have no change in accounting estimates.

D. Summary of Significant Accounting Policies

Accounting policies within the scope of IAS/IFRS are; certain principles, essentials, customs, rules and implementations used by firms during the preparation and presentation of the consolidated financial statements.

Revenue

Income and Expense Recognition

The Group immediately recognizes gain on sale of marketable securities in its portfolio, when proceeds on such sale transactions are deemed to be collectable while dividend and similar type of revenue are recognized when proceeds on such sale transactions are deemed to be collectable at maturity.

GEDİK YATIRIM MENKUL DEĞERLER A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2012 AND 2011
(Amounts expressed in TL unless otherwise indicated)

Service Income

Revenue generated from service contract is recognized by reference to the stage of completion of the contractual obligation. In this respect, fees and commissions generated as a consequence of the completion of the service contract or service, mutual fund management fees, portfolio management commissions and agency commissions are recognized on an accrual basis.

Investments in marketable securities

Investments in marketable securities with readily determinable fair values are carried at their fair values in the combined statement of financial position. Unrealized gains and losses are included in the change in unrestricted net assets in the accompanying combined statement of activities.

Reverse Repo Receivables

Marketable securities held as part of commitments to resale (“reverse repo”) are accounted for as funds loaned under marketable securities reverse repurchase agreements and accounted for under cash and cash equivalent in the balance sheet. The difference between purchase and resale prices is accounted for as interest and amortized during the period of the agreement.

Interest Income and Expense

Interest income and expense are recognized in the income statement in the period which they relate on an accrual basis. “Interest income from brokerage operations” is reported in “Sales Revenue” (Note 28) and “interest income from bank deposits” is classified in “Financial Incomes” (Note 32).

Dividend income from share certificates investment is booked when shareholders have a right to take dividend.

Segment Reporting

The Group has three business segments determined by the management based on information available for the evaluation of performances and the allocation of resources. These segments are managed separately because they are affected by the economical conditions and geographical positions in terms of risks and returns.

Since the Group predominantly operates in Turkey and only in marketable securities sector, segment information in the accompanying financial statements are configured according to structure of the Group’s operating entities as Brokerage, investment in mutual funds and portfolio management (Note 5).

Cash and cash equivalent

Cash and cash equivalents comprise cash on hand demand deposits and other short –term highly liquid investments which their maturities are three months or less from date of acquisition and that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

If there are cash and cash equivalents with maturities of 12 months or more are classified in intangible assets (Note 6).

GEDİK YATIRIM MENKUL DEĞERLER A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2012 AND 2011
(Amounts expressed in TL unless otherwise indicated)

Financial Investments

In scope of IAS/IFRS' financial assets are classified in Group's assets if the Group has legal rights regarding to these assets.

Classification

Financial assets are reflected to the consolidated statement of financial position of the Group when the Group is a party concerning those assets. If a financial instrument results in cash inflow, increase in any asset or any other financial instrument for the Group then the instrument is classified as a financial asset.

Investments are recognized and derecognized on trade date where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned and are initially measured at fair value, net of transaction costs except for those financial assets classified as fair value through profit or loss which are initially measured at fair value.

Financial assets are classified into the following specified categories as 'at fair value through profit or loss', 'held to maturity investments', 'available for sale financial assets' and 'loans and receivables'.

Financial Assets at FVTPL (fair value through profit or loss)

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are also categorized as financial assets at fair value through profit or loss unless they are designated as hedges. Assets in this category are classified as current assets.

Held-to-maturity financial assets

Investments in debt securities with fixed or determinable payments and fixed maturity dates that the Group has the positive intent and ability to hold to maturity are classified as held-to-maturity investments. Held-to-maturity investments are recorded at amortized cost using the effective interest method less impairment, with revenue recognized on an effective yield basis. The Group has no held-to-maturity financial assets in its financial assets portfolio as of 31.12.2011.

Available for sale financial assets

Quoted equity investments and quoted certain debt securities held by the Company that are traded in an active market are classified as being available-for-sale financial assets and are stated at fair value. The Company also have investments in unquoted equity investments that are not traded in an active market but are also classified as available for sale financial assets and stated at cost since their value cannot be reliably measured. Gains and losses arising from changes in fair value are recognized in other comprehensive income and accumulated for in the fair value reserve with exception of impairment losses, interest calculated using the effective interest method, and foreign exchange gains and losses on monetary assets, which are recognized in profit or loss. Where the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously accumulated in the fair value reserve is classified to profit or loss. Marketable securities in the trade book of Company are booked, based on their transaction date.

GEDİK YATIRIM MENKUL DEĞERLER A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2012 AND 2011
(Amounts expressed in TL unless otherwise indicated)

Financial Investments (Continued)

Repurchase and reverse repurchase agreements

Marketable securities sold as part of repurchase agreement commitments (“repo”) are accounted for in the consolidated financial statements and liabilities to counterparties are presented as payables to customers. Marketable securities held as part of commitments to resale (“reverse repo”) are accounted for as funds loaned under marketable securities reverse repurchase agreements and accounted for under cash and cash equivalent in the balance sheet. The difference between purchase and resale prices is accounted for as interest and amortized during the period of the agreement.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments, originated or acquired, that are not quoted in an active market, not held for trading, and not designated on initial recognition as assets at fair value through profit or loss or as available-for-sale. Loans and receivables are measured at amortized cost using the effective interest method.

Financial assets are classified into the following specified categories as ‘at fair value through profit or loss’, ‘held to maturity investments’, ‘available for sale financial assets’ and ‘loans and receivables’.

First booked and after

Financial investments, except financial assets classified at fair value through profit or loss and financial assets initially recognized at fair value, are recognized at fair value net of directly attributable transaction costs. Investments are recognized on a trade date where the purchase or sale of an investment is under contract whose terms require delivery of the investment within the timeframe established by the market concerned.

Fair value in marketable securities is the best buying price of current stock market orders held in Istanbul Stock Exchange as of 31 December 2011, otherwise last transaction of exchange price is accepted as fair value. The fair value of the marketable securities that cannot be measured accurately or don’t have an active market, are shown with their best buying price.

Marketable securities in the trade book of Group are booked, based on their transaction date. Changes in these securities’ fair value after the book date is reflected in income statement.

Effective interest method

The effective interest method is a method of calculating the amortized cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, where appropriate, a shorter period.

Income is recognized on an effective interest basis for financial assets other than those financial assets designated at FVTPL (fair value through profit or loss).

GEDİK YATIRIM MENKUL DEĞERLER A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2012 AND 2011
(Amounts expressed in TL unless otherwise indicated)

Trade Receivables, Credit Receivables and Borrowings

Receivables which were reported in this group come from Brokerage service. Trade receivables, credit receivables and other receivables are recorded with their fair value when they are recorded first time. Trade Receivables, credit receivables and borrowings has shown with their internal rate of return with using effective interest method for reporting after the booked periods (Note 10).

“Deposits and guarantees given” are not reported under “trade receivables, credit receivables and borrowings” section, but under “other receivables and payables” section. The related parties segment of the receivables or payables are reported in “related party transactions” note (Note 37).

A credit risk provision for trade receivables is established if there is objective evidence that the Group will not be able to collect all amounts due. The amount of the provision is the difference between the carrying amount and the recoverable amount, being the present value of all cash flows, including amounts recoverable from guarantees and collateral, discounted based on the original effective interest rate of the originated receivables at inception. Credit risk provision is made based on the best estimates of the Management about the market conditions (Note 10).

If the amount of the impairment subsequently decreases due to an event occurring after the write-down, the release of the provision is credited to other income.

Other Receivables and Payables

Other receivables and payables which are not classified as trade receivables and payables are shown in this section. For instance; deposits and guarantees given, non trade receivables from related parties, receivables from tax authorities, other receivables, other doubtful receivables etc. Other payables that are not mentioned above are shown in this section. For instance; payables to related parties which are not defined as customer or suppliers, deposits and guarantees received, payables to public authorities, other payables (Note 11).

Financial Liabilities

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. The accounting policies adopted for specific financial liabilities and equity instruments are set out below. Financial liabilities are classified as either financial liabilities at FVTPL or other financial liabilities (Note 8).

GEDİK YATIRIM MENKUL DEĞERLER A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2012 AND 2011
(Amounts expressed in TL unless otherwise indicated)

Other Assets and Liabilities

Other Current/Non-Current Assets

Prepaid expenses and income accruals, prepaid taxes and funds, advances given to suppliers, work advances, advances given to personnel, deferred tax, other tax, deductible vat, inventory shortages, other current/non-current etc. are reported in "Other Current/Non-Current Assets (Note 26).

Other Short/Long Term Liabilities

Income relating to future months and expense accruals, inventory overages, other liabilities and etc. are classified in this group (Note 26).

Property Plant and Equipments

Items of property plant and equipments of the Turkish entities purchased before 1 January 2005 are stated at cost adjusted for the effects of inflation during the hyperinflationary period lasted through 31 December 2004, and property plant and equipment purchased after 1 January 2005 are recorded at their historical cost less accumulated depreciation and accumulated impairment losses.

Initial recognition is at cost, which includes all costs necessary to get the asset ready for its intended use. If payment is deferred beyond normal credit terms, interest expense is recognised unless such interest can be capitalised in accordance with IAS 23.

Depreciation is charged systematically over the asset's useful life. The depreciation method reflects the pattern of benefit consumption. The residual value is reviewed at least annually and is the amount the entity would receive currently if the asset were already of the age and condition expected at the end of its useful life. Useful life is also reviewed annually. If operation of an item of property, plant and equipment (e.g. an aircraft) requires regular major inspections, when each major inspection is performed, its cost is recognised in the carrying amount of the asset as a replacement, if the recognition criteria are satisfied.

	Useful lives (Years)
Buildings	50
Machinery and equipment	4-10
Fixtures and fittings	5-15
Vehicles	5
Leasehold improvements	5

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease. Useful life and amortization method are reviewed regularly and when required adjusting event are made (Note 18).

GEDİK YATIRIM MENKUL DEĞERLER A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2012 AND 2011
(Amounts expressed in TL unless otherwise indicated)

Intangible Assets

Intangible assets are carried at cost at first and carried at cost less accumulated amortization and impairment for the following periods. An intangible asset is recognized if it meets the identifiability criterion of intangibles, control exists over the asset; it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the costs can be measured reliably. Amortization of intangible assets is allocated on a systematic pro-rata basis using the straight-line method. Intangible assets including acquired rights, information systems and computer software are amortized using the straight-line method over their estimated useful economic lives of 3-14 years (Note 19).

Impairment of Financial Assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted. For loans and receivables carried at amortized cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables where the carrying amount is reduced through the use of an allowance account. When a trade receivable is uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against allowance account. Changes in the carrying amount of the allowance account are recognized in profit or loss.

With the exception of AFS (available for sale) equity investments, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

In respect of AFS equity securities, any increase in fair value subsequent to an impairment loss is recognized directly in equity.

GEDİK YATIRIM MENKUL DEĞERLER A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2012 AND 2011
(Amounts expressed in TL unless otherwise indicated)

Business Combinations and Goodwill

The acquisition of subsidiaries and businesses are accounted for using the purchase method. The cost of the acquisition is measured at the aggregate of their fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquirer's identifiable assets, liabilities and contingent liabilities that meet the recognition criteria under IFRS 3, "Business Combinations" are recognized at fair value at the date of acquisition, except for non-current assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 "Non-Current Assets Held for Sale and Discontinued Operations", which are recognized and measured at fair value less costs to sell.

Goodwill arising on acquisition is recognized as an asset and initially measured at cost, being the excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognized. If, after reassessment, the Group's interest in the net fair value of the acquirer's identifiable assets, liabilities and contingent liabilities exceeds the cost of business combination, the excess is recognized immediately in profit or loss.

The interest of non-controlling interest's shareholder in the acquire is initially measured at the non-controlling interest's proportion of the net fair value of the assets, liabilities and contingent liabilities recognized.

In business combinations under common control, assets and liabilities subject to business combination are accounted for at carrying value in consolidated financial statements. Statements of income are consolidated starting from the beginning of the fiscal year in which the business combination is realized. Financial statements of previous fiscal years are restated in the same manner in order to maintain consistency and comparability. Any positive or negative goodwill arising from such business combination is not recognized in the consolidated financial statements. The residual balance calculated by netting off investment in subsidiary and the share acquired in subsidiary's equity is directly accounted for under equity as "effect of the business combinations in entities under common control" and presented in retained earnings (Note 20).

Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowing pending their expenditure on qualifying assets is deducted from the borrowing cost eligible for capitalization. All other borrowing cost is recognized in the profit or loss in the period in which they are incurred (Note 8).

Earnings per Share

Earnings per share disclosed in the accompanying consolidated statement of income is determined by dividend net income by the weighted average number of shares circulating during the year concerned.

In Turkey, companies can raise their share capital by distributing "Bonus Shares" to shareholders from retained earnings. In computing earnings per share, such "bonus share" distributions are assessed as issued shares. Accordingly, the retrospective effect for those share distributions is taken into consideration in determining the weighted-average number of shares outstanding used in this computation (Note 36).

GEDİK YATIRIM MENKUL DEĞERLER A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2012 AND 2011
(Amounts expressed in TL unless otherwise indicated)

Subsequent Events

Events after balance sheet date comprise any event between the balance sheet date and date of authorization of the financial statements for publication, even if any event after the balance sheet date occurred subsequent to an announcement on the Group's profit or following any financial information disclosed to public.

If there is evidence of such event as at balance sheet date or if such events occur after balance sheet date and if adjustments are necessary, Group's financial statements are adjusted according to the new situation. The Group discloses the post-balance sheet events that are not adjusting events but material (Note 40).

Provisions, Contingent Assets and Liabilities

Provisions

Provisions are recognized when the Group has legal and constructive obligation as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Contingent liabilities are not recognized in the financial statements but disclosed in the notes if the possibility of any outflow is low. Contingent assets are not included in financial statements but explained in the notes if an inflow of economic benefits is probable (Note 22).

Contingent Assets and Liabilities

Contingent liabilities are not recognized in the financial statements but they are disclosed only, unless the possibility of an outflow of resources embodying economic benefits is probable. A contingent asset is not recognized in the financial statements but disclosed when an inflow of economic benefit is probable.

Related Parties

For the purpose of these financial statements other associated parties (individual and legal entity shareholders, subsidiaries and associates, entities other than subsidiaries and associates in which shareholders of the Group have a direct and indirect relationship, board members and other managers of the Group and their close family members who take part in the directly or indirectly planning, running and supervision of operations of the Group or of the companies which are under their direct or indirect control) are referred to as related parties. Transactions with related parties are explained in the notes of financial statements.

Parties are related to the Group if:

- (i) Directly or indirectly through one or more intermediaries, the party controls, is controlled by, or is under common control with the Group (this includes parent, subsidiaries and fellow subsidiaries);
has an interest in the Group that gives it significant influence over the Group; or
has joint control over the Group;
- (ii) the party is an associate of the Group;
- (iii) the party is a joint venture in which the Group is a venture;
- (iv) the party is member of the key management personnel of the Group as its parent;
- (v) the party is a close member of the family of any individual referred to in (i) or (iv);
- (vi) the party is an entity that is controlled or significantly influenced by, or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (iv) or (v); or

GEDİK YATIRIM MENKUL DEĞERLER A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2012 AND 2011
(Amounts expressed in TL unless otherwise indicated)

Related Parties (Continued)

A related party transaction is a transfer of resources, services or obligation between related parties, regardless of whether a price is charged.

Disclosures regarding related party transactions and outstanding balances are given in Note 37.

Income Tax

Income tax expense comprises current and deferred tax. Current taxes on income comprise tax payable calculated based on the expected taxable income for the year using the tax rates existing at the balance sheet date and restatement of previous year tax payable. Income tax expense is recognized in the consolidated statement of comprehensive income except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Deferred tax is recognized using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes (Note 35). The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantially enacted at the balance sheet date. Temporary differences are mainly aroused from accounting of income and expenses at different reporting periods according to taxation purposes and financial reporting purposes and differences in capitalization and depreciation computations related tangible assets.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which the deferred tax asset can utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized (Note 35).

Employee Benefits / Retirement Pay Liability

In accordance with existing labor law in Turkey, the Company and its subsidiaries in Turkey are required to make lump-sum payments to employees who have completed one year of service and whose employment is terminated without cause or who retire, are called up for military service or die. Such payments are calculated on the basis of 30 days' pay maximum full TL 3.033,98 as at 31 December 2012 per year of employment at the rate of pay applicable at the date of retirement or termination. Reserve for retirement pay is computed and reflected in the consolidated interim financial statements on a current basis. The reserve has been calculated by estimating the present value of future probable obligation of the Company and its subsidiaries in Turkey arising from retirement of the employees (Note 24).

GEDİK YATIRIM MENKUL DEĞERLER A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2012 AND 2011
(Amounts expressed in TL unless otherwise indicated)

Statements of Cash Flows:

In statement of cash flow, cash flows are classified according to operating, investment and finance activities.

Cash flows from operating activities reflect cash flows mainly generated from brokerage and portfolio management operations of the Group. Cash flows from investment activities express cash used investment activities (direct investments and financial investments) and cash flows generated from investment activities of the Group, cash flows relating to finance activities express sources of financial activities and payment schedules of the Group.

Cash and cash equivalents comprise cash on hand ad demand deposits and other short-term highly liquid investment whose maturities are three months or less from date of acquisition and that are readily convertible to known amount cash and are subject to an insignificant risk of changes in value.

E. Significant Accounting Judgments Estimates and Assumptions

The preparation of financial statements in conformity with Communiqué XI-29 requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

GEDİK YATIRIM MENKUL DEĞERLER A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2012 AND 2011
(Amounts expressed in TL unless otherwise indicated)

3. BUSINESS COMBINATIONS

None (31.12.2011: None).

4. JOINT VENTURES

None (31.12.2011:None).

5. SEGMENT REPORTING

In terms of management accounting, the Group is diverted into three operation departments; brokerage operations, mutual fund and portfolio management. Segment reporting is based on these three operation fields.

01.01.-31.12.2012	Brokerage Operations	Investment in Mutual Funds	Portfolio Management	Consolidation Adjustments	Total
Sales Revenue					
- Sales	157.170.208	188.803.547	833.450	--	346.807.205
- Service Income	22.644.031	--	159.237	(16.955)	22.786.313
- Service Income Deductions (-)	(3.468.675)	--	--	--	(3.468.675)
Cost of sales (-)	(156.759.722)	(188.390.241)	(819.875)	--	(345.969.838)
Interest and Futures Trading					
Income from Operating Income, net	3.779.522	--	--	--	3.779.522
Other operating income/(expense) net	12.832.155	665.901	--	(272.808)	13.225.248
Gross Profit	36.197.519	1.079.207	172.812	(289.763)	37.159.775

01.01.-31.12.2011	Brokerage Operations	Investment in Mutual Funds	Portfolio Management	Consolidation Adjustments	Total
Sales Revenue					
- Sales	271.799.848	186.080.427	13.476.003	--	471.356.278
- Service Income	28.204.208	--	242.153	(100.528)	28.345.833
- Service Income Deductions (-)	(4.998.284)	--	--	--	(4.998.284)
Cost of sales (-)	(271.099.803)	(185.141.035)	(13.470.156)	--	(469.710.994)
Interest and Futures Trading					
Income from Operating Income, net	--	--	--	--	--
Other operating income/(expense), net	6.826.898	121.931	--	--	6.948.829
Gross Profit	30.732.867	1.061.323	248.000	(100.528)	31.941.662

GEDİK YATIRIM MENKUL DEĞERLER A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2012 AND 2011
(Amounts expressed in TL unless otherwise indicated)

6. CASH AND CASH EQUIVALENTS

	31.12.2012	31.12.2011
Cash in banks		
- Demand deposit	9.566.837	3.686.221
- Time deposit (*)	126.883.951	78.876.709
Cash warrants of VOB	195.822	248.794
Receivables from Stock Exchange Money Market	1.898.252	331.203
Others	1.691	83
Total	138.546.553	83.143.010

(*) Average maturity on time deposits is 27 days and time deposits' interest rates vary between 7,30% - 8,85% as of 31 December 2012 (31 December 2011: 6,25% - 12,75%).

7. FINANCIAL INVESTMENTS

Short term financial investments	31.12.2012	31.12.2011
Fair value difference of the financial investments that are reflected to the income statement	9.752.685	15.684.026
Increases/ (decreases) in stock value	(392.397)	--
Total	9.360.288	15.684.026

Details of trading financial instruments as of 31.12.2012:

31.12.2012	Cost Value	Fair Value
Public sector bonds and notes	2.081.603	2.191.076
Private sector bonds and notes	3.273.429	3.361.437
Share certificates	2.945.479	3.507.527
Other securities	305.735	300.248
Total	8.606.246	9.360.288

GEDİK YATIRIM MENKUL DEĞERLER A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2012 AND 2011
(Amounts expressed in TL unless otherwise indicated)

7. FINANCIAL INVESTMENTS (Continued)

Details of trading financial instruments as of 31.12.2011:

	Cost Value	Fair Value
Public sector bonds and notes	8.322.919	8.481.326
Private sector bonds and notes	3.450.144	3.558.220
Share certificates	3.130.947	3.375.736
Other securities	282.926	268.744
Total	15.186.936	15.684.026

Long term financial investments	31.12.2012	31.12.2011
VOB Guaranty Fund Deposit	618.373	212.857
Gelişen İşletmeler Piyasası A.Ş.	--	2.020
İMKB Takas ve Saklama Merkezi A.Ş.	247.196	247.196
Total	865.569	462.073

8. FINANCIAL LIABILITIES

Type of credit	31.12.2012	31.12.2011
Payables to Stock Exchange Money Market operations (*)	3.120.000	6.900.993
Loans from Takasbank (*)	20.835.284	--
Payables from issue of commercial paper	24.654.667	--
Bank loans (*)	3.000.000	--
Loans for SSK	214.583	--
Interest accrual from loans	10.544	--
Others	1.272	--
Total	51.836.350	6.900.993

(*) Interest rates of Stock Exchange Money Market loans vary between 5,30 % – 5,80 %, interest rates of Takasbank 5,80 %, interest rate of bank loans 5,50 % as of 31 December 2012.

9. OTHER FINANCIAL LIABILITIES

None (31.12.2011: None).

GEDİK YATIRIM MENKUL DEĞERLER A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2012 AND 2011
(Amounts expressed in TL unless otherwise indicated)

10. TRADE RECEIVABLES AND PAYABLES

Short Term Trade Receivables	31.12.2012	31.12.2011
Receivables from customers	14.124.034	4.398.079
Receivables from customers with credit	71.303.403	37.459.811
Receivables from VOB and Takas Merkezi	14.734.467	12.524.849
Receivables from related parties (Note 37)	15.013	28.986
Other trade receivables	391.375	33.156
Doubtful trade receivables	28.018	32.896
Provision for doubtful trade receivables (-)	(28.018)	(32.896)
Total	100.568.292	54.444.881

Details of doubtful trade receivables:

	31.12.2012	31.12.2011
Beginning of period	32.896	168.126
Reserved provision within the period	--	1.865
Collected within the period (-)	(4.878)	(137.095)
End of period	28.018	32.896

Long Term Trade Receivables	31.12.2012	31.12.2011
Notes Receivables (**)	7.297	7.297
Doubtful trade receivables (*)	287.043	290.821
Provision for doubtful trade receivables (-)	(267.229)	(268.157)
Total	27.111	29.961

(*) Provision for remaining unguaranteed part of doubtful trade receivables

(**) Maturity details for notes receivables are as follows:

Notes receivables	31.12.2012	31.12.2011
With maturities more than one year	7.297	7.297
Total	7.297	7.297

GEDİK YATIRIM MENKUL DEĞERLER A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2012 AND 2011
(Amounts expressed in TL unless otherwise indicated)

10. TRADE RECEIVABLES AND PAYABLES (Continued)

Short Term Trade Payables	31.12.2012	31.12.2011
Suppliers	391.809	266.550
Due to customers	17.407.635	13.939.606
Due to customers with credit	6.335.619	1.478.423
Liabilities from Accretion Transactions	9.781.855	6.065.874
Due to VOB and Depository Trust Company	6.655.253	3.415.342
Liabilities from Customer Deposits	74.582.036	49.217.834
Due from VOB	1.119.142	573.574
Due to related parties (Note 37)	12.976	71.582
Due from KAS	2.232.404	--
Others	21.277	28.313
Total	118.540.006	75.057.098

11. OTHER RECEIVABLES AND PAYABLES

Other Short Term Receivables	31.12.2012	31.12.2011
Deposits and guarantees given	236.424	99.561
Receivables from personnel	400	265
Tax receivables	--	2.000
Other receivables	6.463	7.683
Total	243.287	109.509

Other Long Term Receivables	31.12.2012	31.12.2011
Deposits and guarantees given	309.499	90.975
Total	309.499	90.975

Other Short Term Payables	31.12.2012	31.12.2011
Due to personnel	112.421	422.831
Taxes and funds payable	520.775	415.657
Social security premiums payable	212.020	288.282
Deposits and guarantees received	39	52
Others	38.838	55.435
Total	884.093	1.182.257

GEDİK YATIRIM MENKUL DEĞERLER A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2012 AND 2011
(Amounts expressed in TL unless otherwise indicated)

11. OTHER RECEIVABLES AND PAYABLES (Continued)

Other long term payables	31.12.2012	31.12.2011
Deposits and guarantees received	7.297	7.297
Total	7.297	7.297

12. RECEIVABLES AND PAYABLES FROM FINANCE SECTOR ACTIVITIES

None (31.12.2011: None).

13. INVENTORIES

None (31.12.2011: None).

14. BIOLOGICAL ASSETS

None (31.12.2011: None).

15. RECEIVABLES FROM CONSTRUCTION CONTRACTS IN PROGRESS

None (31.12.2011: None).

16. INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD

None (31.12.2011: None).

17. INVESTMENT PROPERTIES

None (31.12.2011: None).

GEDİK YATIRIM MENKUL DEĞERLER A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2012 AND 2011
(Amounts expressed in TL unless otherwise indicated)

18. PROPERTY PLANT AND EQUIPMENT

	31.12.2011	Addition	Disposal	31.12.2012
Buildings	1.631.395	--	--	1.631.395
Machinery and equipment	2.748.307	577.541	(20.817)	3.305.031
Vehicles	612.832	--	(57.727)	555.105
Fixtures and fittings	13.328.187	87.982	(147.026)	13.269.143
Leasehold improvements	2.462.836	557.051	--	3.019.887
Total	20.783.557	1.222.574	(225.570)	21.780.561
Buildings depreciation (-)	284.146	32.827	--	316.973
Machinery and equipment depreciation (-)	1.977.532	334.906	(18.921)	2.293.517
Vehicles depreciation (-)	363.274	90.121	(48.697)	404.698
Fixtures and fittings depreciation (-)	13.255.655	30.258	(137.303)	13.148.610
Leasehold improvements depreciation (-)	2.311.037	129.071	--	2.440.108
Total	18.191.644	617.183	(204.921)	18.603.906
Net Total	2.591.913			3.176.655
	31.12.2010	Addition	Disposal	31.12.2011
Buildings	1.631.395	--	--	1.631.395
Machinery and equipment	2.327.014	440.939	(19.646)	2.748.307
Vehicles	513.030	180.851	(81.049)	612.832
Fixtures and fittings	13.321.495	27.702	(21.010)	13.328.187
Leasehold improvements	2.455.667	21.416	(14.247)	2.462.836
Total	20.248.601	670.908	(135.952)	20.783.557
Buildings depreciation (-)	251.319	32.827	--	284.146
Machinery and equipment depreciation (-)	1.781.545	215.439	(19.452)	1.977.532
Vehicles depreciation (-)	355.715	88.608	(81.049)	363.274
Fixtures and fittings depreciation (-)	13.246.304	25.260	(15.909)	13.255.655
Leasehold improvements depreciation (-)	2.253.724	69.714	(12.401)	2.311.037
Total	17.888.607	431.848	(128.811)	18.191.644
Net Total	2.359.994			2.591.913

Current period depreciation expense which is TL 617.183 (2011: TL 431.848) is included in general administration expenses (Note 30).

GEDİK YATIRIM MENKUL DEĞERLER A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2012 AND 2011
(Amounts expressed in TL unless otherwise indicated)

19. INTANGIBLE ASSETS

	31.12.2011	Addition	Disposal	31.12.2012
Rights	975.777	403.494	--	1.379.271
Total	975.777	403.494	--	1.379.271
Rights amortization (-)	576.778	102.685	--	679.463
Total	576.778	102.685	--	679.463
Net Total	398.999			699.808

	31.12.2010	Addition	Disposal	31.12.2011
Rights	763.261	212.516	--	975.777
Total	763.261	212.516	--	975.777
Rights amortization (-)	549.357	27.421	--	576.778
Total	549.357	27.421	--	576.778
Net Total	213.904			398.999

Current period amortization expense which is TL 102.685 (2011: TL 27.421) is included in general administration expense (Note 30).

20. GOODWILL

Goodwill generated from Gedik Girişim Sermayesi Yatırım Ortaklığı A.Ş. (formerly Marbaş B Tipi Menkul Kıymetler Yatırım Ortaklığı A.Ş.)'s acquisition is TL 127.297 (31.12.2011: TL 127.297).

21. GOVERNMENT GRANTS

None (31.12.2011: None).

GEDİK YATIRIM MENKUL DEĞERLER A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2012 AND 2011
(Amounts expressed in TL unless otherwise indicated)

22. PROVISIONS, CONTINGENT ASSETS AND CONTINGENT LIABILITIES

	31.12.2012	31.12.2011
Provision for communication expense	39.683	10.000
Provision for share of Rafet Tunaboylu	141.390	114.576
İMKB, MKK and Takasbank expenses	87.306	57.101
Provision for customer commission reimbursement	250.834	161.277
Provision for Personnel abuse (*)	2.350.000	--
Other expense provisions	80.176	102.209
Total	2.949.389	445.163

(*)Investors who are exposed to the related abuse are refunded by the Group without waiting for the legal process and the Group filed a complaint to the Chief Public Prosecutor's Office about the abuser and has made provision for the related amount without waiting for trial's conclusion (Note 30).

As of 31.12.2012 and 31.12.2011, statement about Group's litigation and controversy as follows:

a) An ongoing lawsuit and executive proceeding filed by the Group:

<u>Litigation /Execution</u> <u>Subject</u>	31.12.2012		31.12.2011	
	<u>Litigation /Execution</u> <u>Numbers</u>	<u>Amount</u>	<u>Litigation /Execution</u> <u>Numbers</u>	<u>Amount</u>
Receivables	19	247.908	24	406.664
Material Compensation	1	28.900	1	28.900
Total	20	276.808	25	435.564

b) An ongoing lawsuit and executive proceeding filed against to the Group:

<u>Litigation /Execution</u> <u>Subject</u>	31.12.2012		31.12.2011	
	<u>Litigation /Execution</u> <u>Numbers</u>	<u>Amount</u>	<u>Litigation /Execution</u> <u>Numbers</u>	<u>Amount</u>
Receivables	2	66.000	3	86.000
Severance Pay	1	5.000	1	5.000
Others	1	--	1	--
Total	4	71.000	5	91.000

GEDİK YATIRIM MENKUL DEĞERLER A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2012 AND 2011
(Amounts expressed in TL unless otherwise indicated)

22. PROVISIONS, CONTINGENT ASSETS AND CONTINGENT LIABILITIES (Continued)

Non cash liabilities

Letters of Guarantee Given	31.12.2012	31.12.2011
Capital Markets Board of Turkey	2.072.380	958.380
Issued Security Fund	--	1.776
Takasbank	27.100.000	8.650.000
Istanbul Stock Exchange	11.141.600	13.961.000
Takasbank Warrant Related with Payables to Stock Exchange Money		
Market Operations	3.900.000	--
Turkish Derivative Exchange (VOB)	180.000	180.000
Others	136.933	126.237
Total	44.530.913	23.877.393

The Company and its subsidiaries define and manage their capital in accordance with the Serial: V, No: 34 numbered CMB Communiqué. The Group led their obligations about the capital requirement as of 31 December 2012 and 31 December 2011.

Guarantee – Pledge - Mortgage

Guarantee – Pledge – Mortgage (“GPM”) position of the Group as at 31.12.2012 and 31.12.2011 are as follows:

Guarantee – Pledge – Mortgages (GPM) given by the Group:	31.12.2012	31.12.2011
A. GPM given on behalf of its own legal entity	44.530.913	23.877.393
B. GPM given on behalf of consolidated subsidiaries Total GPM	--	--
C. Total amount of GPM given on behalf of other third parties ‘debt	--	--
D. Other GPM	--	--
i. Total amount of GPM given on behalf of the Parent	--	--
ii. Total amount of GPM given on behalf of other group companies		
Not covered in B and C	--	--
iii. Total amount of GPM given on behalf of third parties not covered in C	--	--
Total	44.530.913	23.877.393

There are no obligations on the mutual funds of the Group.

Ratio of other provisions, contingent assets and liabilities given by the Group, to the Groups’ Equity is 57% as at 31.12.2012 (31.12.2011: 33%).

23. COMMITMENTS

None (31.12.2011: None).

GEDİK YATIRIM MENKUL DEĞERLER A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2012 AND 2011
(Amounts expressed in TL unless otherwise indicated)

24. RESERVE FOR EMPLOYMENT TERMINATION BENEFITS

Short Term Benefits for Employees

	31.12.2012	31.12.2011
Unused Leave Rights	171.864	164.262

Movements of provision for unused leave rights were shown below;

	31.12.2012	31.12.2011
1 January	164.262	113.918
Provision for the current period	9.810	50.344
Cancelled provision within the period (-)	(2.208)	--
Total	171.864	164.262

Long Term Benefits for Employees

Provision for employment termination benefits	31.12.2012	31.12.2011
Provision for employment termination benefits	1.227.596	1.033.490

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

The liability is not funded, as there is no funding requirement. The provision has been calculated by estimating the present value of the future probable obligation arising from retirement of employees. IAS 19 ("Employee Benefits") requires actuarial valuation methods to be developed to estimate the provision for employment termination benefits. Accordingly, the following actuarial assumptions were used in the calculation of the total liability.

	31.12.2012	31.12.2011
Annual discount rate (%)	4,05	4,66
Probability of retirement (%)	85,47	85,47

The main assumption is that the maximum liability for each year of service will increase in line with inflation. Thus, the discount rate applied represents the expected real rate after adjusting for the effects of future inflation.

GEDİK YATIRIM MENKUL DEĞERLER A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2012 AND 2011
(Amounts expressed in TL unless otherwise indicated)

24. RESERVE FOR EMPLOYMENT TERMINATION BENEFITS (Continued)

Therefore as of 31.12.2012 provisions from the consolidated financial statements are made by estimating the discounted value of the probable liabilities that may arise from the future retirements of the employees.

The applicable retirement pay provision ceiling as of 01.01-31.12 2012 is TL 3.033,98 for the calculation of employment termination benefits. The retirement pay provision ceiling is revised semi-annually. (31.12.2011 TL 2.731,85).

As a result, provision reflected to the accompanying consolidated financial tables as at 31.12.2012 and 31.12.2011 is calculated by estimating the discounted value of the probable liabilities that may arise from the future retirement of the employees.

Provision for employment termination benefits	31.12.2012	31.12.2011
1 January	1.033.490	350.582
Reserved provision within the period	550.655	797.702
Payments made during the period	(12.238)	--
Cancelled provision within the period (-)	(344.311)	(114.794)
Total	1.227.596	1.033.490

25. RETIREMENT BENEFITS

None (31.12.2011: None).

26. OTHER ASSETS AND LIABILITIES

Other Current Assets	31.12.2012	31.12.2011
Prepaid expenses for future months	133.664	116.938
Income accruals	--	204
Prepaid taxes and funds	2.756.014	2.774.876
Total	2.889.678	2.892.018

Other Fixed Assets	31.12.2012	31.12.2011
Prepaid expenses for future years	300	911
Total	300	911

GEDİK YATIRIM MENKUL DEĞERLER A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2012 AND 2011
(Amounts expressed in TL unless otherwise indicated)

26. OTHER ASSETS AND LIABILITIES (Continued)

Other Short Term Liabilities

None (31.12.2011: None).

Other Long Term Liabilities

None (31.12.2011: None).

27. EQUITY

27.1 Paid Capital

Name Surname (Commercial Name)	31.12.2012		31.12.2011	
	Share Rate (%)	Share Amount (TL)	Share Rate (%)	Share Amount (TL)
Erhan TOPAÇ	35	16.380.000	35	16.380.000
Gedik Holding A.Ş.	21	9.828.000	21	9.828.000
Hakkı GEDİK	10	4.680.000	10	4.680.000
Hülya SADIKLAR	10	4.680.000	10	4.680.000
Halil Kaya GEDİK	9	4.212.000	9	4.212.000
Part of the Initial Public Offering ^(*)	15	7.020.000	15	7.020.000
General Total	100,00	46.800.000	100,00	46.800.000

The authorized share capital ceiling of the Group is TL 50.000.000. The capital consists of 50.000.000 shares that have nominal value of TL 1 each.

The Group's authorized equity ceiling is TL 50.000.000. The Group's upper limit of registered capital is TL 50.000.000. The Group made application about increasing existing upper limit of registered capital from TL 50.000.000 to TL 100.000.000. Permission was obtained with Capital Market Board's decision dated 21.09.2012 and B.02.6.SPK.0.13.00-110.03.02-2196 - 9400 numbered, Ministry of Customs and Trade Domestic Trade General Directorate's decision dated 26.09.2012 and B-21.0.İTG.0.03.01.00/431.02-49364-1003377-7565 - 6400 numbered.

^(*) As of 31.12.2011 Gedik Girişim Sermayesi Yatırım Ortaklığı has 1,92% and Gedik Yatırım Ortaklığı has 3,25% of the total shares of Gedik Yatırım Menkul Değerler A.Ş.'s public shares part.

The Group's issued capital is TL 46.800.000. This capital consists of 46.800.000 shares that have a nominal value of TL 1 each.

27.2 Share premium

	31.12.2012	31.12.2011
Share Premium	291	285
Total	291	285

GEDİK YATIRIM MENKUL DEĞERLER A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2012 AND 2011
(Amounts expressed in TL unless otherwise indicated)

27. EQUITY (Continued)

Restricted Reserves

These reserves include income from previous period's reserves which restricted for obligations based on law or agreement.

Legal Reserves

Retained earnings as per the statutory financial statements other than legal reserves are available for distribution, subject to legal reserve requirement referred to below;

The legal reserves consist of first and second legal reserves, appropriated in accordance with the Turkish Commercial Code, are not distributable to shareholders. The first legal reserve is appropriated out of historical statutory profits at the rate of 5% per annum, until the total reserve reaches 20% of the historical paid-in share capital.

The second legal reserve is appropriated after the first legal reserve and dividends, at the rate of 10% per annum of all cash dividend distributions. Under the TCC, the legal reserves can be used only to offset losses and are not available for any other usage unless they exceed 50% of paid-in share capital.

According to Group's official records:

	31.12.2012	31.12.2011
Restricted reserves set aside from profits	5.306.396	4.377.356
Total	5.306.396	4.377.356

27.4 Profit/ (Loss) from previous years

	31.12.2012	31.12.2011
Extraordinary Reserves	11.436.340	3.579.579
Profit/(Loss) from previous years	698.567	1.192.994
Total	12.134.907	4.772.573

27.5 Minority Interest

Group's minority interest rates details as of 31.12.2012 and 31.12.2011:

Minority Interest	31.12.2012	31.12.2011
Beginning of period	3.651.166	3.399.267
Additions / (Disposals)	(64.502)	83.891
Profit / (Loss) rate from consolidated participations	120.935	168.008
End of period	3.707.599	3.651.166

GEDİK YATIRIM MENKUL DEĞERLER A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2012 AND 2011
(Amounts expressed in TL unless otherwise indicated)

27. EQUITY (Continued)

27.6 Dividends

Following the resolution of the Turkish Capital Markets Board dated 27.01.2010 and numbered 02/51 in respect of profit distributions, there will be no minimum profit distribution requirement for publicly quoted companies from their profits earned in 2009 and any profit distribution will be made in accordance with the specific guidelines of the Turkish Capital Markets Board announced in the Communiqué No: IV/27 in respect of “ Rules and Procedures to be Adhered to by Publicly Quoted Companies Subject to the Provisions and Regulations of the Turkish Capital Markets Board in respect of Dividend and Advance on Dividend Distributions.”

According to the Turkish Commercial Code, companies are obliged to appropriate legal reserves prior to any profit distribution. The legal reserves consist of first and second reserves, appropriated in accordance with the Turkish Commercial Code. The Turkish Commercial Code stipulates that the first legal reserve is appropriated out of statutory profits at the rate of 5% per annum, until the total reserve reaches 20% of the Group’s paid-in capital.

In accordance with the Turkish Capital Markets Board decision, during the calculation of distributable profits by the companies obliged to prepare financial statements; the companies can determine the amount of distributable profits by taking into account the net profit on the financial statements that are prepared and announced to the public according to “Communiqué on Financial Reporting Standards in Capital Markets” which includes profits from associates, joint ventures and subsidiaries that are transferred to the profit of the Group, regardless of whether these companies’ general assembly approved any dividend distributions, as soon as these distributable profits can be funded by the reserves in the statutory accounts of the companies.

Inflation adjustment to shareholder equity and book value of extraordinary reserves can be used as an internal source in capital, dividend distribution in cash or net-off against prior years’ loss. In case the inflation adjustment to shareholders’ equity is used for dividend distribution in cash, the distribution is subject to corporate tax.

GEDİK YATIRIM MENKUL DEĞERLER A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2012 AND 2011
(Amounts expressed in TL unless otherwise indicated)

28. SALES AND COST OF SALES

Revenue	01.01.- 31.12.2012	01.01.- 31.12.2011
Share Certificates	135.477.421	55.217.334
Government Bonds	36.858.081	253.873.401
Treasury Bonds	--	9.852.416
Government Bonds Repo	148.436.628	146.514.503
Treasury Bonds Repo	--	2.447.483
VOB	16.514.617	1.319.912
Mutual Funds	--	688.515
Private Sector Bonds	9.520.458	1.442.714
Total	346.807.205	471.356.278
Service Income, (net)		
Brokerage Commission	22.627.076	28.171.629
Portfolio Management Commission Income	159.237	174.204
Total	22.786.313	28.345.833
Sales returns (-)		
Trading Commission Rebates to Customers (-)	(3.468.675)	(4.998.284)
Grand Total	366.124.843	494.703.827
Interest and Future Delivery Income from operating expense, net		
Leveraged trading	3.779.522	--
Total	3.779.522	--
Other Income/(expense) from operating expense, net		
Dividend income	128.084	61.464
Interest income	12.829.466	6.826.598
VOB value gain / (losses), net	19.405	16.104
Share certificate unrealized gain / (losses), net	22.517	(232.539)
Government bonds unrealized gain / (losses), net	113.422	164.711
Private Sector Government bonds unrealized gain / (losses), net	90.187	70.669
Treasury bills unrealized gain / (losses), net	--	36.917
Stock Exchange Money Market operations bills unrealized gain / (losses), net	19.895	--
Reverse repo interest income	--	4.697
Other	2.272	208
Total	13.225.248	6.948.829
Cost of Sales (-)		
Share Certificates (-)	(134.871.462)	(54.334.926)
Government Bonds (-)	(36.286.089)	(253.177.780)
Treasury Bills (-)	--	(9.838.037)
Government Bond Repo (-)	(148.384.055)	(146.479.000)
Treasury Bills Repo (-)	--	(2.447.000)
VOB (-)	(17.241.270)	(1.304.537)
Mutual Fund (-)	--	(732.292)
Private Sector Government Bond	(9.186.962)	(1.397.422)
Total	(345.969.838)	(469.710.994)
GROSS PROFIT / (LOSS)	37.159.775	31.941.662

GEDİK YATIRIM MENKUL DEĞERLER A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2012 AND 2011
(Amounts expressed in TL unless otherwise indicated)

29. RESEARCH AND DEVELOPMENT EXPENSES, MARKETING, SELLING AND DISTRIBUTION EXPENSES, GENERAL ADMINISTRATIVE EXPENSES

	01.01.- 31.12.2012	01.01.- 31.12.2011
Research and development expenses	--	--
Marketing, sales and distribution expenses	2.719.790	3.528.714
General administrative expenses	23.223.412	16.577.046
Total	25.943.202	20.105.760

30. OPERATING EXPENSE BREAKDOWN

	01.01.- 31.12.2012	01.01.- 31.12.2011
Marketing, Sales and Distribution Expenses		
Stock Exchange transaction fee expenses	876.545	1.080.044
VOB expenses	858.746	1.430.494
Advertising expenses	325.168	133.631
Takasbank expenses	164.281	114.969
MKK expenses	116.887	57.194
Istanbul Stock Exchange expenses	106.076	268.288
Public offering expenses	98.138	--
Sales expenses and losses	60.115	36.211
Marketing commission expenses	42.501	39.144
Bond Exchange transaction fee expenses	19.321	11.136
Brokerage house membership fees	33.220	--
Data communication expenses	3.189	265.288
Share certificate commissions	4.574	22.621
VOB transaction commissions	9.585	5.557
Government bond transaction commissions	20	11
Repo transaction commissions	1.421	240
Other expenses	3	63.886
Total	2.719.790	3.528.714

GEDİK YATIRIM MENKUL DEĞERLER A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2012 AND 2011
(Amounts expressed in TL unless otherwise indicated)

30. OPERATING EXPENSE BREAKDOWN (Continued)

General Administrative Expenses	01.01.- 31.12.2012	01.01.- 31.12.2011
Personnel expenses	10.842.029	8.663.537
Disallowable expenses (*)	2.993.655	511.595
Rent expenses	1.434.273	1.134.110
Data communication expenses	1.393.868	856.863
Depreciation and amortisation expenses (Note 18-19)	719.868	459.269
Representation and entertainment expenses	687.200	414.874
Communication expenses	667.908	630.494
Taxes, duties and fees expenses	561.850	544.625
Provisions for severance pay (Note 24)	550.655	797.702
Other Expenses	413.922	296.462
Travelling and accommodation expenses	389.210	275.143
Information technologies and software expenses	352.294	246.737
Commission expenses	340.577	85.661
Electricity and heating expenses	330.690	313.374
Consultancy expenses	239.204	289.379
Court and notary expenses	221.523	173.075
Maintenance and repair expenses	194.577	172.680
Stationery expenses	194.378	174.152
Education expenses	137.776	27.812
Building management expenses	110.402	46.233
Social expenses	91.954	88.438
Small fixtures expenses	77.683	50.250
Contribution in common expenses	67.382	52.712
Insurance expenses	62.480	88.049
Membership fee expenses	61.216	70.951
Registry and notice expenses	26.329	2.826
Warranty costs	19.796	--
Bank Money order expenses	16.249	42.664
Attorney expenses	14.654	15.170
Provision for leave (Note 24)	9.810	50.344
Provisions for doubtful trade receivables (Note 10)	--	1.865
Total	23.223.412	16.577.046

(*)TL 2.350.000 part of the amount in question, consist of the provision due to the prudence related as a result of personnel abuse incur loss (Note 22).

GEDİK YATIRIM MENKUL DEĞERLER A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2012 AND 2011
(Amounts expressed in TL unless otherwise indicated)

31. OTHER INCOME / (EXPENSES)

	01.01.- 31.12.2012	01.01.- 31.12.2011
Income from other activities		
Advisory income	710.786	154.271
Provision no longer required	630.469	315.496
Usage fee of data screen received from customers	119.756	63.423
Other	44.067	325.593
Income from sale of property, plant and equipment	35.903	65.409
Income from sale of subsidiary	3.464	--
Total	1.544.445	924.192

	01.01.- 31.12.2012	01.01.- 31.12.2011
Expenses from other activities		
Provision expenses	75.000	2.071
Loss from sale of property, plant and equipment	20.218	--
Other	51.495	14.970
Total	146.713	17.041

32. FINANCIAL INCOME

	01.01.- 31.12.2012	01.01.- 31.12.2011
Interest Income	3.634.596	3.341.530
Increase in Value of Financial Assets	3.603.006	4.612.531
Foreign Exchange Gains	354.064	43.119
Bank money order expenses	38.978	45.687
Total	7.630.644	8.042.867

33. FINANCIAL EXPENSE

	01.01.- 31.12.2012	01.01.- 31.12.2011
Loss in Value of Financial Assets	3.952.557	4.395.997
Stock Exchange Money Market Interest expenses	1.548.008	475.985
Financial Bill Interest Expenses	690.667	--
Foreign Exchange Losses	401.116	43.603
Letter of Guarantee Commission	117.687	79.607
Others	132	--
Total	6.710.167	4.995.192

GEDİK YATIRIM MENKUL DEĞERLER A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2012 AND 2011
(Amounts expressed in TL unless otherwise indicated)

34. ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

None (2011: None).

35. TAX ASSETS AND LIABILITIES

	01.01.- 31.12.2012	01.01.- 31.12.2011
Provision for income tax for the period (-)	(3.218.571)	(3.182.694)
Deferred tax income / (expense)	(79.207)	126.213
Total	(3.297.778)	(3.056.481)

The effective tax rate in 31.12.2012 is 20% (31.12.2011 20%). Losses can be carried forward for offset against future taxable income for up to 5 years. Losses cannot be carried back for offset against profits from previous periods. %15 withholding tax is applied on the portfolio management income of the securities investment funds and trusts in Turkey, which is exempt from tax, whether it is distributed or not.

In Turkey, there is no procedure for a final and definitive agreement on tax assessment. Companies file their tax returns between 1-25 April following the close of the accounting year to which they relate. Companies with special accounting periods file their tax returns between 1st and 25th days of fourth month after the fiscal year end. Tax authorities may, however, examine such returns and the underlying accounting records and may revise assessment within five years.

Taxation for Investment Trusts

In accordance with the Clause (1) (d) in Article 5 of the Corporate Tax Law No: 5520 and dated 21 June 2006 in effect from 1 January 2006, portfolio management income of the securities investment funds and trusts in Turkey is exempt from tax. This exemption is also applied to the advance corporate tax.

As per Clause (8) of the Provisional Article 67, 15% withholding tax is applied on the securities investment funds established in accordance with Capital Market Law (including funds traded on stock exchange, mortgage finance funds and asset finance funds) and securities investment trusts' portfolio income that is exempt from corporate tax, whether distributed or not. There is no further withholding tax for the related income under the Article 94. Upon the decision made by the Council of Ministers numbered 2006/10731 and dated 22 July 2006, the related withholding tax rate was applied as 10% for the period 23 July 2006 – 20 September 2006 and 0% subsequent to 1 October 2006. Therefore, the Group has no current period tax expense bulunmamaktadır (2011: None).

Deferred Tax

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

20% of tax is applied in the calculation of deferred tax assets and liabilities (2011: 20%).

GEDİK YATIRIM MENKUL DEĞERLER A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2012 AND 2011
(Amounts expressed in TL unless otherwise indicated)

35. TAX ASSETS AND LIABILITIES (Continued)

	Temporary Differences		Deferred Tax Assets / (Liabilities)	
	31.12.2012	31.12.2011	31.12.2012	31.12.2011
<u>Deferred Tax Assets</u>				
Provision for doubtful receivables	--	4.878	--	976
Marketable securities decrease of value	510	479.426	102	95.885
Provision for leave	6.040	164.262	1.208	32.852
Severance pay provision	1.204.855	1.007.692	240.971	201.539
Cancellation of prior periods's subsidiary adjustment	--	6.930	--	1.386
Interest accrual on loans	14.800	6.892	2.960	1.378
Other	505	1.011	101	202
Total	1.226.710	1.671.091	245.342	334.218
<u>Deferred Tax Liabilities</u>				
Restatement differences on depreciation and valuation	(796.210)	(684.641)	(159.242)	(167.570)
Foreign exchange gain	(39)	--	(8)	--
Interest income	(5)	(5.311)	(1)	(1.060)
Marketable securities increase of value	--	(1.440)	--	(288)
Total	(796.254)	(691.392)	(159.251)	(168.918)
Deferred Tax Assets/(Liabilities)	430.456	979.699	86.091	165.300
Deferred Tax Income / (Expense) for the period of 31 December 2012				(79.207)

GEDİK YATIRIM MENKUL DEĞERLER A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2012 AND 2011
(Amounts expressed in TL unless otherwise indicated)

36. EARNINGS PER SHARE

	01.01.- 31.12.2012	01.01.- 31.12.2011
Parent Company Net Profit / (Loss)	10.116.069	12.566.239
Weighted Average Number of Common Shares Issued	46.800.000	46.800.000
Earnings per share Profit / (Loss) (TL)	0,2162	0,2685

37. DUE FROM DUE TO RELATED PARTIES

Transactions of related parties for the period of 01.01.-31.12.2012 and 01.01-31.12.2011 are as follows:

Due from Related Parties (Note 10)	31.12.2012	31.12.2011
G-20 Countries Marketable Foreign Fund	850	888
A Type Stock Certificate Fund	674	1.747
B Type Liquid Fund	10.978	20.250
A Type Small and Medium Scaled Companies Share Certificates Fund	409	487
Kronos Alpha A Type Variable Fund	426	1.974
A Type Mixed Fund	1.676	3.640
Total	15.013	28.986

Due to Related Parties (Note 10)	31.12.2012	31.12.2011
Gedik Döküm ve Vana Sanayi ve Ticaret A.Ş.	--	20.639
Gedik Holding A.Ş.	--	26.240
Gedik Üniversitesi	--	3.186
Gedik Kaynak Sanayi ve Ticaret A.Ş.	--	165
G-20 Countries Marketable Foreign Fund	826	1.227
A Type Stock Certificate Fund	705	416
B Type Liquid Fund	10.567	18.015
A Type Small and Medium Scaled Companies Share Certificates Fund	254	544
Kronos Alpha A Type Variable Fund	329	262
A Type Mixed Fund	295	888
Total	12.976	71.582

GEDİK YATIRIM MENKUL DEĞERLER A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2012 AND 2011
(Amounts expressed in TL unless otherwise indicated)

37. DUE FROM DUE TO RELATED PARTIES (Continued)

Service Income	01.01.- 31.12.2012	01.01.- 31.12.2011
B Variable Fund Management Price	72.946	157.730
A Type Mixed Fund Commission Income	28.910	48.628
A Type Stock Fund Commission Income	28.278	48.299
Kronos Alpha A Type Variable Fund Commission Price	4.472	19.485
Kronos Alpha A Type Variable Fund Management Income	5.411	28.693
A Type Mixed Fund Management Price	11.309	15.230
A Type Stock Fund Management Price	6.039	9.667
A Type Small and Medium Scaled Companies Share Certificates Fund Management Income	1.402	2.147
Erhan Topaç	1.193	4.463
B Type G-20 Countries Marketable Foreign Fund Management Price	4.743	3.671
Total	164.703	338.013

Service Expenses	01.01.- 31.12.2012	01.01.- 31.12.2011
Gedik Holding A.Ş. – Rent expense	113.398	104.683
Gedik Döküm ve Vana Sanayi ve Ticaret A.Ş. – Rent expense	246.625	223.303
Gedik Meslek Yüksek Okulu	10.620	12.744
Total	370.643	340.730

Key Management Personnel Benefits	01.01.- 31.12.2012	01.01.- 31.12.2011
Short Term Employee Benefits	770.752	505.114
Total	770.752	505.114

Group has no receivable or debt from/to its related parties which were guaranteed or conditioned.

GEDİK YATIRIM MENKUL DEĞERLER A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2012 AND 2011
(Amounts expressed in TL unless otherwise indicated)

38. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS

Financial Risk Factors

Capital Risk Management

Based on the recommendations of the Board of Directors, the Group balances its overall capital structure through the payment of dividends, new share issues and investment in shares of associates and subsidiaries as well as issuance of a new debt or the redemption of an existing debt.

In its capital management, while the Group maintains to continue its operations on a going concern basis, it also maximizes its return through the optimization of the debt and equity balance.

	31.12.2012	31.12.2011
Total Liabilities	178.994.417	88.142.172
Less: Cash and Cash Equivalents	(138.546.553)	(83.143.010)
Net Liabilities	40.447.864	4.999.162
Total Equity	78.065.262	72.167.619
Liability / Equity Rate	%52	%7

Credit Risk

Credit risk refer to the counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. Credit risk is mitigating by receiving equity shares of listed entities as collateral in accordance with the legal requirements of the Turkish Capital Markets Board against credit lines utilized by customers.

GEDİK YATIRIM MENKUL DEĞERLER A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2012 AND 2011
(Amounts expressed in TL unless otherwise indicated)

38. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (Continued)

Financial Risk Factors (Continued)

Credit Risk (Continued)

Exposed credit risk through types of financial instruments:

Current Period	Receivables				Bank Deposits	Receivables from Money Market	Reverse Repo Receivables	Government Bonds with maturities three months or less
	Trade Receivables		Other Receivables					
	Related Parties	Related Parties	Related Parties	Related Parties				
Maximum credit risk exposure as at report date (A+B+C+D+E)	28.986	54.445.856	--	200.484	82.562.930	331.203	--	--
- The part of maximum risk under guarantee with collateral	--	54.390.036	--	--	--	--	--	--
A. Net book value of financial assets that are neither past due nor impaired	28.986	54.423.192	--	200.484	82.562.930	331.203	--	--
B. Net book value of financial assets that are renegotiated, if not that will be accepted as past due or impaired	--	--	--	--	--	--	--	--
C. Carrying value of financial assets that are past due but not impaired	--	--	--	--	--	--	--	--
- the part under guarantee with collateral etc.	--	--	--	--	--	--	--	--
D. Net book value of impaired assets	--	22.664	--	--	--	--	--	--
- Past due (gross carrying amount)	--	290.821	--	--	--	--	--	--
- Impairment (-)	--	(268.157)	--	--	--	--	--	--
E. Off-balance sheet items with credit risk	--	-	--	--	--	--	--	--

GEDİK YATIRIM MENKUL DEĞERLER A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2012 AND 2011
(Amounts expressed in TL unless otherwise indicated)

38. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (Continued)

Financial Risk Factors (Continued)

Credit Risk (Continued)

Overdue and Impaired Assets:

Current Period	Receivables	
	Trade Receivables	Other Receivables
1-30 days past receivables	-	-
1-3 months past receivables	-	-
3-12 months past receivables	28.018	-
1-5 years past receivables	287.043	-
Over 5 years past receivables	-	-
Part under guarantee with collateral etc.	-	-
Prior Period	Receivables	
	Trade Receivables	Other Receivables
1-30 days past receivables	-	-
1-3 months past receivables	-	-
3-12 months past receivables	32.896	-
1-5 years past receivables	290.821	-
Over 5 years past receivables	-	-
Part under guarantee with collateral etc.	-	-

Liquidity Risk

Liquidity risk is the Group's default in meeting its net funding liabilities. Events causing a decrease in funding resources such as; market deteriorations or decrease in credit ratings are major reasons of liquidity risk. The Group manages its liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities through a constant monitoring forecast and actual cash flows and matching the maturity profile of financial assets and liabilities. The Group has no derivative financial liability.

GEDİK YATIRIM MENKUL DEĞERLER A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2012 AND 2011
(Amounts expressed in TL unless otherwise indicated)

38. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (Continued)

Financial Risk Factors (Continued)

Liquidity Risk (Continued)

The following table details the Group's expected maturity for its non-derivative financial liabilities.

Current Period

Contractual maturities	Book Value	Total Contractual Cash Outflow (=I+II+III+IV)	Less than 3 months (I)	3-12 months (II)	1-5 years (III)	More than 5 years (IV)
Non derivative financial liabilities	171.267.746	171.267.746	146.605.782	24.654.667	7.297	--
Bank loans	51.836.350	51.836.350	27.181.683	24.654.667	--	--
Trade payables	118.540.006	118.540.006	118.540.006	--	--	--
Other payables	891.390	891.390	884.093	--	7.297	--

Prior Period

Contractual maturities	Book Value	Total Contractual Cash Outflow (=I+II+III+IV)	Less than 3 months(I)	3-12 months (II)	1-5 years (III)	More than 5 years (IV)
Non derivative financial liabilities	83.147.645	83.147.645	83.140.348	--	7.297	--
Bank loans	6.900.993	6.900.993	6.900.993	--	--	--
Trade payables	75.057.098	75.057.098	75.057.098	--	--	--
Other payables	1.189.554	1.189.554	1.182.257	--	7.297	--

Market Risk

The market risk arises from changes in interest rates, foreign currency or in the fair value of financial assets and other financial contracts that may affect the Group adversely.

Foreign currency risk

Foreign currency risk is the risk of volatility in the foreign currency denominated monetary assets, monetary liabilities and off-balance sheet liabilities due to changes in currency exchange rates.

The Group does not have foreign currency assets and liabilities as at 31.12.2012 and 31.12.2011.

GEDİK YATIRIM MENKUL DEĞERLER A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2012 AND 2011
(Amounts expressed in TL unless otherwise indicated)

38. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (Continued)

Financial Risk Factors (Continued)

Interest rate risk

The Group is exposed to interest rate risk due to volatile market prices of its financial assets at both fixed and floating interest rates. The Group's exposure to interest rate risk sensitivity depends on the mismatch among maturities of interest rate sensitive assets and liabilities. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate assets and liabilities.

Interest Risk Position Table			
		Current Period	Prior Period
Fixed interest rate financial instruments			
Financial assets	Financial assets at fair value through profit or loss	9.360.288	15.684.026
	Available for sale financial assets	865.569	462.073
Financial liabilities		-	--
Floating rate financial assets			
Financial assets		-	--
Financial liabilities		51.836.350	6.900.993

The Group is subject to interest rate risk due to interest rate fluctuations. If the base point denominated interest rates for financial instruments with variable interest rates were 1% higher/lower, with all other variables held constant, the market value of TL 5.552.513 amounted fixed interest rate securities and the Group's income before tax and minority interest would be TL 11.448 higher / TL 11.376 lower accordingly as of 31.12.2012.

Price risk

The Group is under the risk about probability of changing in price of share certificate price. If there was a 10% increase/decrease in the price of these share certificates which are traded in İMKB (Istanbul Stock Exchange), Group's net profit/loss would increase or decrease TL 350.753 accordingly whit all other variables held constant (under ceteris paribus) (31.12.2011: TL 337.574).

GEDİK YATIRIM MENKUL DEĞERLER A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2012 AND 2011
(Amounts expressed in TL unless otherwise indicated)

39. FINANCIAL INSTRUMENTS: DISCLOSURES (FAIR VALUE DISCLOSURES AND HEDGE ACCOUNTING DISCLOSURES)

	Other financial assets measured with effective interest method	Loans and receivables	Available for sale financial assets	Financial assets and liabilities at fair value through profit or loss	Amortized financial liabilities	Book value	Fair value	Note
31.12.2012								
Financial assets								
Cash and cash equivalent	138.546.553	--	--	--	--	138.546.553	138.546.553	6
Trade receivables	--	100.568.292	--	--	--	100.568.292	100.568.292	10
Financial investments	--	--	865.569	9.368.965	--	10.234.534	10.225.857	7
Financial liabilities								
Financial liabilities	--	--	--	--	51.836.350	51.836.350	51.836.350	8
Trade payables	--	--	--	--	118.540.006	118.540.006	118.540.006	10
Other financial liabilities	--	--	--	--	3.218.571	3.218.571	3.218.571	35
31.12.2011								
Financial assets								
Cash and cash equivalent	83.158.909	--	--	--	--	83.158.909	83.158.909	6
Trade receivables	--	54.444.881	--	--	--	54.444.881	54.444.881	10
Financial investments	--	--	462.073	15.717.595	--	16.179.668	16.146.099	7
Financial liabilities								
Financial liabilities	--	--	--	--	6.900.993	6.900.993	6.900.993	8
Trade payables	--	--	--	--	75.057.098	75.057.098	75.057.098	10
Other financial liabilities	--	--	--	--	3.182.694	3.182.694	3.182.694	35

GEDİK YATIRIM MENKUL DEĞERLER A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2012 AND 2011
(Amounts expressed in TL unless otherwise indicated)

40. SUBSEQUENT EVENTS

None.

41. MATTERS THAT MAY HAVE A MATERIAL EFFECT ON, OR PREVENT THE CLEAR UNDERSTANDING OF THE CONSOLIDATED FINANCIAL STATEMENTS

The Group defines and manages its capital in accordance with the Serial: V, No: 34 numbered CMB Communiqué. The Group led their obligations about the capital requirement as of 31.12.2012 and 31.12.2011.