



From A to Z Investment dictionary

EGELI & CO. INVESTMENT TRUST
2014 ANNUAL REPORT

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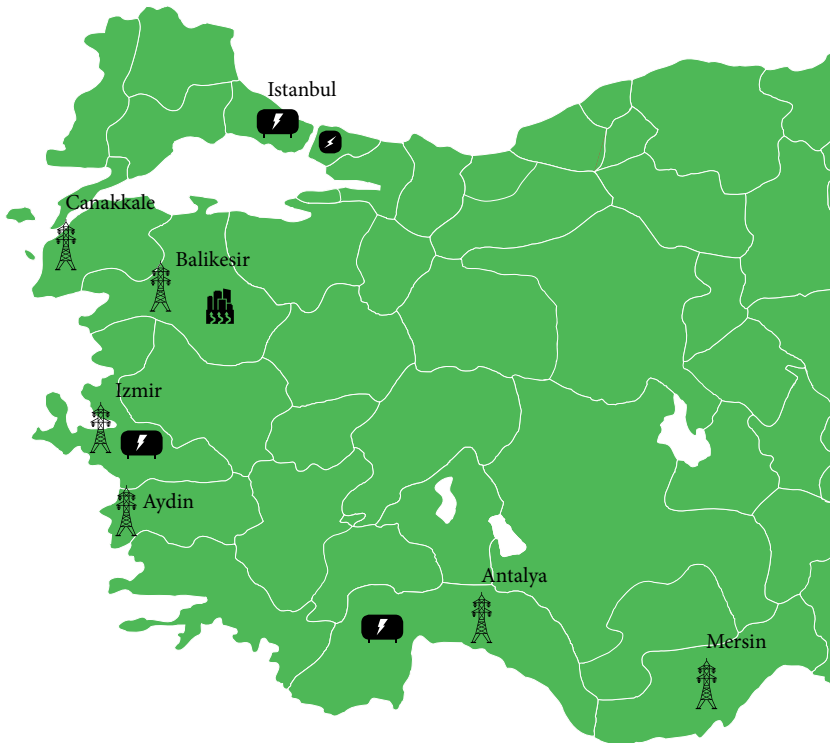
EGC InfraEnergy, proceeding and adding value to the future, with its specialization, experience and accumulation, by assigning different meanings to the familiar concepts of the investment.

Investment problems turn into satisfactory responses and long term sustainable high returns, thanks to the performance of EGC InfraEnergy.

Area *n.*



Various geographical zones in a country by means of different energy and infrastructure projects for a profitable and sustainable future.



Energy Investments



ENDA ENERGY



Balikesir
Mersin
Antalya
Aydin
Canakkale
Izmir
Adana

EGC Energy

EGC ENERGY*



Istanbul
Antalya
Izmir



EURASIA ENERGY



Istanbul



KARESI GEOTHERMAL



Balikesir



*EGC Energy is 100% subsidiary of Egeli & Co. Investment Holding.

Build v.

B

To form a productive and value- added future by means of loyalty to targets and principles.



Mission

is to maximize shareholder value by means of investment projects we achieved in potentially growing sectors particularly in energy and infrastructure.



Vision

is to convert the energy and infrastructure sectors in our country to transparent and trustable alternative investment platforms managed according to the corporate governance principles.



Courage *n.*



Self-confidence and strength of a company to make achievements by means of right investments, strategy and common synergy.



About EGC InfraEnergy

Egeli & Co. Investment Trust (“EGLYO” or EGC InfraEnergy) founded by Akbank on 18 September 1998 under the title Ak B-Type Investment Trust. The shares of Ak B-Type Investment Trust were acquired by Egeli & Co. Investment Holding (“EGCYH”) on 3 July 2012 and joined Egeli & Co. Financial Services Group.

The legal status of EGC InfraEnergy, the shares of which are traded at Borsa Istanbul with ticker of EGLYO and are regulated and monitored by the Capital Markets Board (“CMB”), was converted from a securities investment trust to a venture capital investment trust with a resolution taken in the Shareholders’ Meeting dated 27 December 2012.

EGC InfraEnergy provides opportunities to exploit the potential in high growth industries, particularly energy and infrastructure, on a transparent and regulated platform to domestic and foreign institutional and individual investors.

The energy sector, vital also for development policies of the Country, are the most important supporters of the emerging economies. In this respect, EGC InfraEnergy makes correct and sustainable investments to satisfy the increasing energy demand by benefiting from inactive, limited and exhaustible natural resources in the most efficient and environmentalist manner and achieves the projects in order to ensure provision of fundamental services in adequate, fast, efficient and fair manner in the infrastructure sector attracting investors, focused on long term business opportunities increasing day by day.



Furthermore, the regulation on the license-free energy generation was put into effect at the end of 2013; and upon amendment to the related laws and regulations, the limit, being 500 kilowatt in license-free electricity generation was increased up to 1 megawatt (MW). The way for those, intending to generate their own energy through renewable energy sources such as water, sun and wind without a license, was opened and the Energy Market Regulatory Authority (EMRA) completed amendments to the existing laws and regulations, as required for the license-free electricity generation. EGC InfraEnergy benefited from this amendment made in the energy sector and expanded its investment strategy.

The Company has a well-established corporate governance system, which ensures efficient control of management's execution of strategic decisions.

Immediately after transformation of the company's status, EGC InfraEnergy started to create energy investment portfolio, firstly bought 4.2% of the shares of Enda Energy Holding A.Ş. ("ENDA Energy"), holding 8 active facilities and having 273 Mw capacities, in January 2013 and subsequently increased its share in Enda Energy up to 5.34% by means of share acquisitions throughout the year.

Afterwards, in February 2013, EGC InfraEnergy acquired shares of Karesi Geothermal, which is a 50% affiliate of Egeli & Co. Investment Holding.

EGC InfraEnergy founded Eurasia Energy Investments in June 2014 with 17.1 million TL shareholders' equity. Eurasia Energy Investments offers movable temporary power systems solutions. At the end of 2014, EGC InfraEnergy exited from one of its investment portfolio, JKS Energy Power System ("JKS Energy") by selling its shares in JKS Energy to other shareholders.

Durable *adj.*



Ability to create value under whatsoever conditions during the process due to experience gained and sound structure.

COMMERCIAL TITLE

Egeli & Co. Investment Trust

WEBSITE

www.eglyo.com

TRADE REGISTRATION NUMBER

403397

HEADQUARTERS

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Efficient *adj.*

E

Productive of desired results by focusing on real asset investments in developing sectors and potentially promising sectors.

The registered capital of EGC InfraEnergy is TL 300 million and issued capital is TL 20 million. The Capital is divided into 2 billion shares each with a nominal value of TL 0.01 as of December 31, 2014.

Breakdown of legal and real person shareholders holding more than 5% of the capital and voting rights as of 31 December 2014 is stated below;

Shareholder	Number of Shares (TL)	Percentage of Shares (%)
Egeli & Co. Investment Holding	16,806,499.04	84.03
Other/Publicly Traded	3,193,500.96	15.97
Total	20,000,000.00	100.00

As of 31 December 2014, Company had Group A privileged nominative shares of 25 million with a par value of TL 0.01. The entire Group A shares are belongs to EGC Investment Holding. A Group shareholder is privileged for nominating candidates for the election of two thirds of the board members.

Coupon distribution of shares representing the capital of TL 20 million is as follows:

Classification/Group	Nominal Value	Nominative/Bearer	Amount
A	0,01 TL	Nominative	25,000,000.00
B	0,01 TL	Nominative	1,975,000,000.00

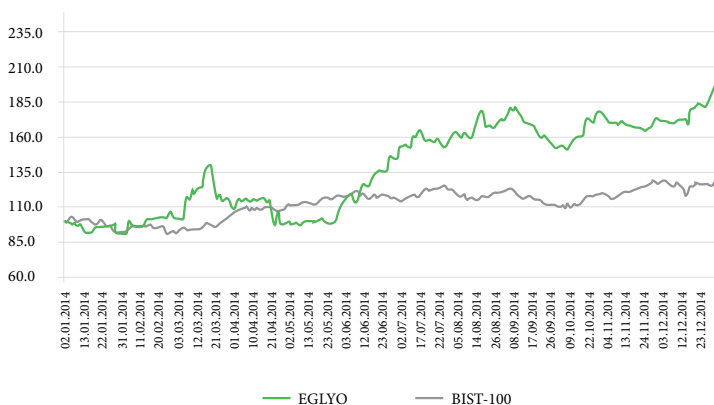
Feasible *adj.*

F

Capable of developing applicable projects with which conclusions might be derived in different areas and according to different targets.

Initial Public Offering	21 May 1999
Ticker	EGLYO
ISIN Code	TRAAKYOW91Q4
Registered Capital	300 million TL
Paid in Capital	20 million TL
Lowest Share Price (2014)	2.73 TL
Highest Share Price (2014)	5.93 TL
Average Share Price (2014)	4.14 TL
Share Price on 31 December 2014	5.93 TL
Market Value on 31 December 2014	118.6 million TL

Share Performance





Growth *n.*



Improvements and developments that take the company to a higher level by means of investments since inception, together with enhancement of confidence provided.

Jul 12

Egeli & Co. Investment Holding signed a share purchase agreement with Akbank to purchase 70.4% shares of Ak B Investment Trust.

Sep 12

Title of Ak B-Type Investment Trust changed to Egeli & Co. B-Type Investment Trust.

Sep 12

An application was submitted to CMB to convert EGLYO from investment trust to venture capital investment trust.

Dec 12

EGLYO was converted from a securities investment trust to a venture capital investment trust.

Jan 13

4.21% of Enda Energy was purchased.

Feb 13

Karesi Geothermal was transferred to EGC InfraEnergy.

Mar 13

Shares of Enda Energy were raised to 4.35%.

Aug 13

Shares of Enda Energy were raised to 4.96%.

Sep 13

Shares of Enda Energy were raised to 5.34%.

Jul 14

Eurasia Energy Investments was found as %100 affiliate of EGC InfraEnergy.

Dec 14

EGC InfraEnergy exited from one of its investment portfolio, JKS Energy.

Harvest *n.*



Desired, expected and lastly derived profitable outcome with dedicated work and effort.

	31.12.2014	31.12.2013
Revenue	2,072,303	34,888,394
Gross Profit /(Loss)	614,584	3,192,958
Operating Profit/(Loss)	(7,928,109)	(430,780)
Profit / (Loss) Before Tax	(7,930,908)	(431,104)
Net Profit/(Loss)	(7,930,908)	(431,104)
Profit/(Loss) Per Share	(0.3965)	(0.0216)
Total Assets	33,560,226	41,117,235
Current Assets	6,125,805	29,664,168
Fixed Assets	27,434,421	11,453,067
Short Term Liabilities	191,290	539,783
Long Term Liabilities	12,976	4,711
Shareholders' Equity	33,355,960	40,572,741
Paid in capital	20,000,000	20,000,000
Current Ratio	32.02	54.95
Shareholders' Equity/Total Assets	0.99	0.98

Integration *n.*



To create a harmonious and stable value integrity by focusing on real asset investments.

Dear Stakeholders,

2014 had been full of surprises; after 2014, we are expecting that capital inflow would be moderate in the first half of 2015

Within the process of overcoming the global crisis, we left behind 2014, when monetary expansion and lower interest policies of the biggest central banks were effective. With the signals given by the FED in late May this year, indicating its plan to increase interest with a zero level liquidity for 2015, the year 2014 became a year where the fund outflow accelerated, currency depreciation occurred, growth slowed and inflation increased in Turkey. Whereas the Presidential elections were achieved uneventfully and peacefully in respect of the markets, the greatest surprise in 2014 was the sharp fall in the petroleum prices occurred in June.

And in 2015, we would have a very important general election in just the middle of the year. Since our country acts as energy importer, we may benefit from the lower petroleum prices; therefore; it is expected that the Turkish markets will gain attractiveness and the capital flow will be moderate in the first half of the year with the anticipation that the current deficit and inflation will decrease.

Besides the global effects, it should be noted that conversion of inactive sources into effective investment opportunities increases level of welfare of a country. Accordingly, presence of corporations, acting with a comprehensive financing perspective and having financial fund of knowledge to evaluate the investment opportunities, just like our Company, is as important as the macro developments mentioned above.



As it is in all the developing countries, dimensions of the infrastructure investments, required in Turkey, increasingly grew and went beyond the level of satisfaction by the possibilities of the public sector.

Within that frame, it is expected that new financing possibilities would be provided for the relevant sector; the income generating sources would be diversified; importance of the projects created with the cooperation of the public sector and private sector and the infrastructure investments would increase. Furthermore, the energy market now witnesses a fast growing and liberalization process with the recent privatizations, license tenders and strategic partnerships.

We strongly believe in the sustainable high returns of the real asset investments

Thanks to the awareness for this growth potential and our stable and strong belief in the real sector investments, 2014 also became a year when our

Company enhanced its investment portfolio without compromising on its approach to sustainable responsible investments, as it was in the preceding year.

In order to create a portfolio of energy investments EGC InfraEnergy, as its first investment portfolio, acquired 4.2% shares of **Enda Energy**-incorporated by more than 100 Aegean Industrialists and Businessmen- in January 2013 and subsequently increased its shareholding rate up to 5.34% with the acquisitions within the year. Short term plan of Enda Energy, which owns 8 active facilities and has the total capacity of 273 MW as of 2014 year-end, is to reach the capacity of 365 MW following completion of 6 continuing investments.



273 MW

Capacity with
8 active facilities

Justify *v.*



To prove to get higher success by means of accurate investment decisions from past up to date.

Shares in **Karesi Geothermal**, another investment of our Company, were acquired from Egeli & Co. Investment Holding in February 2013. In the first quarter of 2011, Karesi Geothermal was incorporated by the consortium consisting of EGC Investment Holding and NRG Energy after the tenders issued by MTA for the geothermal fields of Balikesir-Bigadic-Adali-Ceribasi and Balikesir-Balya-Ilica were won and it is planned that drilling activities would be commenced on both fields soon.

EGC InfraEnergy founded a company named **Eurasia Energy Investments** as a 100% owned subsidiary with a paid up capital of TRY 17.1 million to offer mobile power solutions systems in 2014. It is planning to include two transportable power stations with 25MW output capacity each into its rental fleet in 2015. With a power well enough for a small town, these 25 MW of mobile gas turbine package is designed to provide fast

and reliable energy where there is an energy shortage especially in the case of disaster and emergency such as earthquakes, floods, landslides etc.

In December 2014, EGC InfraEnergy exited from its investment portfolio by selling to the other shareholders its shares in **JKS Enerji Guc Sistemleri** (JKS Energy) due to changes in our business plans. JKS Energy which launched its activities in 2013 and which is offering generator maintenance and care, leasing services and sales solutions to the corporations and institutions of any scale and which was involved in EGC InfraEnergy Investment Portfolio as a 50% subsidiary.

2015 would become a year, when we would support our existing investment portfolios by means of stronger shareholding structures and we would continue our investments in the fields of clean energy and infrastructure.



Dear Stakeholders,

First of all, I would like to take this opportunity to express my thanks, for and on behalf of our Board of Directors, to all of our colleagues for working with higher motivation and devotion to make the momentum - we achieved - sustainable and to our investors, business partners and all the stakeholders supporting us on this way.

I wish 2015 would bring health, pleasure, success and peace for everyone.

TAN EGELI

Chairman of the Board

*Throughout
2015, we
would support
our existing
investments
by means
of stronger
shareholding
structures.*

Knowlegde *n.*



1. The product of thinking that is obtained by learning, searching or observing and constituted base of work to be done. 2. The most significant feature, which distinct a company from its competitors.

Tan Egeli

Chairman of the Board

Having graduated from Delaware University Department of Business Administration in 1992, Tan Egeli got his master's degree (MSIA) from Carnegie Mellon University, Tepper Business School.

After starting his career in 1994 at Citibank, Egeli served as a senior executive at establishments of Citicorp Securities, İnter Yatırım Securities and BSI Bayındır Securities in that order between 1996 and 2001 especially as responsible for international capital markets and asset management. After leaving BSI Bayındır Securities where he served as a Board of Directors Member and General Manager between 1998 and 2001, he laid the foundations for Egeli & Co. Financial Services Group by founding Egeli Consulting in 2002.

In result of the partnership he established in 2007 with British Ashmore Group which is known for its investments in developing markets, in 2008 Egeli founded Ashmore Asset Management, the first asset management company operating in Turkey with independent foreign capital. Until 2009 he served as CEO at Ashmore Turkey and Chairman of the Board at the subsidiaries of the Company.

While serving as general manager at Egeli & Co. Asset Management, Tan Egeli also serves at Egeli & Co. Financial Investments, Egeli & Co. Investment Trust, Egeli & Co. Agriculture Investment Trust, Egeli & Co. Investment Holding, Egeli & Co. Corporate Support Services, EGC Real Estate Development, EGC Energy, Simya Agriculture Investment as chairman of the board. Besides from group companies, Egeli also is a board member at Istanbul Erkek Lyceum Foundation. Tan Egeli speaks German and English and holds Capital Markets Board Advanced Level and Derivatives Licenses.

Ersoy Coban
Vice-Chairman

After graduating from Yildiz Technical University Department of Economics in 1997, Ersoy Coban received his master's degree in finance from Yeditepe University in 2004.

Having started his career at Interbank Department of Operations and Accounting in 1996, Ersoy Coban worked at Bayindir Securities as Operations and Accounting Director and as internal audit manager at Dundas Unlu Securities between 1999 and 2004. Ersoy Coban has been serving as CFAO at Egeli & Co. Group since 2004.

Coban is serving as a chairman of Egeli & Co. Asset management, he also vice president at Egeli & Co. Investment Trust, at EGC Real Estate Development and at EGC Energy representing Egeli & Co. Investment Holding, member of board at Egeli & Co. Agri Capital Investment Trust, Egeli & Co. Corporate Support Services, Eurasia Energy Investments and Bati Agriculture. Coban is also general manager at Egeli & Co. Investment Holding.

Ersoy Coban holds CMB Advanced Level and Corporate Governance Rating Specialist and Derivatives Licenses and speaks English.

A. Muzaffer Egeli
Board Member

Graduated from Department of Mechanical Engineering, University of Delaware in 1990, Mr. Atilla Muzaffer Egeli completed his MBA at Carnegie-Mellon University in 1992. In 2001-2006, he served firstly as Istanbul Office President and Managing Partner and subsequently as Middle and Eastern Europe Coordinator and Managing Partner in the Boston Consulting Group (BCG) and Mr. Atilla Muzaffer Egeli served as Consultant and subsequently Project Manager at particularly Munich and various European and Asian offices of BCG in 1993-2000 before the aforesaid positions in BCG. Mr. Muzaffer Egeli has wide accumulation of knowledge and experience on the subjects of both determination and implementation of corporate strategy and mergers and acquisitions of the companies, company valuations, post-acquisition integration and profitability-oriented growth.

Mr. Egeli, once was a founding member of Turkish Corporate Governance Association, also he played an active role in the Turkish Industry and Business Association (TUSIAD); however, he is fully dedicated his active foundation membership capacity for the Education Foundations. Egeli has also social memberships in the "Propeller Club", "The Classical Automobiles Club", "Chaîne de Rotisseurs" and "İstanbul Golf Club".

Mr. Atilla Muzaffer Egeli currently serves as member of the board of directors in Egeli & Co Investment Holding and Egeli & Co. Investment Trust as well as major shareholder and executive director in GidaPro Gıda ve Gıda Yan Ürünleri Sanayi ve Ticaret A.Ş. and as founding partner and vice chairman of the board of directors in Likya Tarım ve Hayvancılık A.Ş. Mr. Egeli is fluent in English and German.

Ahmet Berker Argun
Independent Board Member

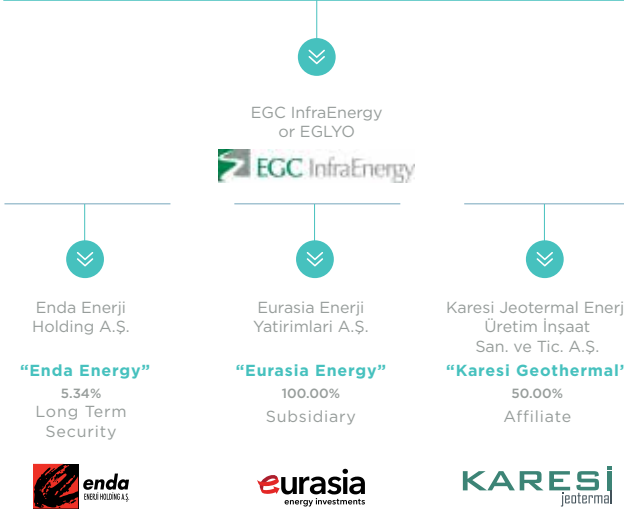
Ahmet Argun is an independent board member of the Egeli & Co. Investment Holding, Egeli & Co. Investment Trust and Egeli & Co. Agriculture Investment Trust. Having graduated from Marmara University, Faculty of Economics and Administrative Sciences, Department of Economic, Ahmet Berker Argun worked in Arthur Andersen as an auditor between 1991 and 1996. After his career in Arthur Andersen, Argun served as a senior finance executive at Escort Group, Arena Bilgisayar, Hewlett Packard, Atlasjet, Praktiker and Baumax. Argun is a founding member of TUFIDER (Association of Consumer Finance Companies) and INKADE (Association of Human Resource Management) and also member of AMPD (Association of Shopping Centers). Mr. Argun speaks English and German.

M. N. Tansel Sarac
Independent Board Member

Tansel Sarac graduated from Ankara University Faculty of Political Sciences in 1997. Sarac started his career in 1997 at the Capital Markets Board (CMB) and after working for 7.5 years at the Department of Market Oversight, between 2004 and 2009 he worked as Capital Markets Director at Akfen Holding and General Manager at Akfen Real Estate Investments. During the same period he served as a Board of Directors Member at Akfen Real Estate Trust, member of the Audit Committee at TAV Airports Holding, member of the Audit Committee at Mersin International Port Operation and member of the Audit Committee at TUVTurk. An independent consultant on Capital Markets and Agriculture projects Sarac serves as an Independent Board Member at Egeli & Co. Agriculture Investment Trust and Egeli & Co. Investment Trust since 2011.

In addition, Sarac is an Independent Board Member at Beyaz Filo Oto Kiralama and Flap Kongre Toplantı Hizmetleri Otomotiv ve Turizm. Tansel Sarac, who holds CMB Advanced License and Independent Auditor License, speaks English.

Egeli & Co. Investment Trust



Leadership *n.*



The power or ability to lead energy and infrastructure investments by using all the advantages of the company to offer a better and value-added future to its stakeholders.

Investment Strategy

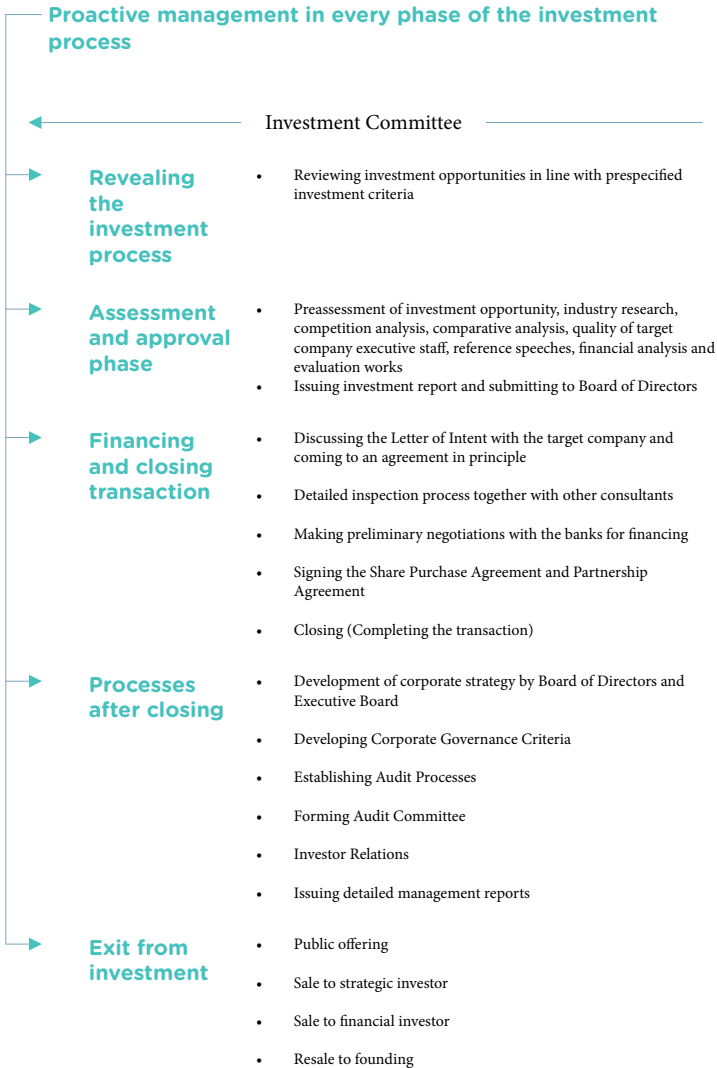
EGC InfraEnergy offers the opportunities of growth potential in the emerging sectors to its investors through transparent investment platform. EGC InfraEnergy is providing a strong and sustainable capital returns by investing in the growing industries, especially in clean energy and infrastructure.

Investment Assessment, Research and Development Process

In this context, the target companies are identified through a detailed analysis and valuation process by Egeli & Co. Asset Management along with detailed legal, financial, tax and operational due diligence in line with the investment procedure. In the aftermath of the assessment process projects considered worthy of investment are finalized in line with the EGC InfraEnergy investment philosophy and return criteria, further to the approval of Board of Directors based on the recommendation of the Egeli & Co. Asset Management Investment Committee.

No conflict of interest occurred within the relevant year, between the Company and the corporations/institutions offering investment consulting or rating services to the Company. Information on the potential matters, which may possibly result in conflict of interest, and importance thereof are stated in the agreements entered into by and between these corporations/institutions and the Company.

Phases of Investment Process are as follows:



Maximum *n.*



1. The greatest quantity or value attainable 2. The size of contribution, which a company would offer to its shareholders by creating integrity in its investments with synergy.

1. EGC InfraEnergy forms the infrastructure for a sustainable financial performance by also improving the governance profile of the companies it is investing in. This approach is one of the main pillars of our investment strategy aiming sustainable return in the long run.

Reports containing financial and operational key performance indicators, issued by the invested companies and real asset investment team are regularly submitted to Board of Directors by Internal Audit and real asset investment team and the ongoing operations of the companies in the portfolio are monitored regularly.

For the purpose of fulfilling the criteria of corporate governance, environmental and social performance criteria, he puts the sustainability and responsible investments in the center of all the

valuation and he did not give his consent to any financial proceeds that are not creating social benefit.

While investing in the energy and infrastructure sector, he constituted his own investment philosophy as to contribute in the development in the regions where investments are made, to minimize environmental effects of his investments and to produce the highest value for all of its stakeholders.

Projects Reviewed in 2014

In 2014, out of the 12 investment reviewed by Egeli & Co. Asset Management within the reporting period 9 were eliminated and 2 were finalized. The feasibility studies of 1 project are currently in progress. In addition to these, the company exited from one project in 2014.

Industrial breakdown of the projects reviewed within the reported period is presented below:

EGC InfraEnergy





Energy

Clean energy and hybrid energy projects that holds license or in the beginning of construction process.



Infrastructure

Hotel, transportation, communications, real estate, education and health services.



Information and Communication Technologies

Investment in venture companies in the information and communications sectors that has growth potential.



Financial Services

To benefit from the opportunities that have high growth potential like pension funds, insurance services in the sector.



Retail

Invest in venture companies with high brand awareness.



Food

Invest in the food venture companies with the opportunity arise with the increase in income level along with the current consumption trends.



Real Estate

Invest in the venture companies in real estate sector which hosts high potential deals.



Health Sector

Investments in sub-sectors such as pharmaceutical, medical machinery and equipment, hospital investments.



Other

Logistics - Transportation, Textile, Automotive, Chemical - Oil, Mining

The fields in the diagram above indicate the industries standing out in the current investment strategy of the Company.

Natural *adj.*



1. Being in accordance with or determined by nature.
2. Having a projected success in investments for growth.

KARESI geothermal

KARESI GEOTHERMAL

Geothermal energy was initially used for health resorts but today it has become an energy type presenting various utilization fields. Geothermal electricity production was developed to a great extent in the last 40 years. It is acknowledged worldwide that geothermal heat and electrical energy production will have a great importance in the future. Investments made in the geothermal energy industry are continuously increasing. According to Electric Energy Market and Supply Security Strategy document, Turkey's geothermal installed capacity is planned to increase up to 600 MW in 2023 from 162.2 MW.

Making use of renewable energy resources among its investment fields in the light of these developments, Egeli & Co. Financial Services Group won the tenders for Balikesir-Bigadic-Adali Ceribasi and Balikesir-Balya-Ilica geothermal areas put out by General Directorate of Mineral Research & Exploration (MTA), on 24 February

2011 through a consortium formed by EGCYH and NRG Energy. Following the tender, the capital of Karesi Geothermal, which was founded by Egeli & Co. Investment Holding and NRG Energy, was raised from TL 480,000 to TL 960,000 in April 2012.

In September 2012 geological, geochemical and geophysical studies were made in both areas subject to geothermal operating permit, for "Geothermal Potential Development Opportunities Research Project" and a report was issued for each area. It is planned that drilling works shall be given a start in both areas within the scope of these reports.

Within the scope of the plans of Egeli & Co. Financial Services Group for combining its energy investments under EGC Infra Energy, 480,000 shares of Karesi Geothermal with a par value of TL 1 each, owned by Egeli & Co. Investment Holding were assigned to EGC Infra Energy in return for TL 794,111 on February 20th 2013.



EURASIA ENERGY INVESTMENTS

Eurasia Energy Investments was founded by Egeli & Co. Group in June 2014 with 17.1 million TL shareholders' equity. Eurasia Energy Investments offers movable turnkey temporary cost-efficient reliable and fast power systems solutions anywhere in the world with its mobile rental fleet.

In these respect, the company which is a 100% subsidiary of EGC InfraEnergy, planned to include two FT8® Mobilepac® transportable power stations with 25MW output capacity into its rental fleet in 2015.

FT8® Mobilepac® gas turbine package is developed and manufactured by PW Power Systems (PWPS - formerly Pratt & Whitney *) which is a subsidiary of Mitsubishi Heavy Industries, Ltd. (MHI). MHI is a diversified Fortune "Global 150" company with more than \$30 billion in annual revenues and 40,000 employees worldwide. PWPS has leveraged the advanced technology of Pratt & Whitney® proven aircraft engines and uniquely applied it to complex power system solutions to become a leader in power generation. In this sense, FT8® Mobilepac® gas turbine package is a product of 30 years of technology.

With a power well enough for a small town, these 25 MW of mobile gas turbine package is designed to provide fast and reliable energy where there is an energy shortage especially in the case of disaster and emergency such as earthquakes, floods, landslides etc.



Highway compatible of mobile units offers rapid deployment worldwide via road, sea freight or airfreight. Environmentally compatible gas turbine package can be driven to a site and begin generation emergency power in less than one day. With a remote operation, FT8® Mobilepac® Gas turbine package, committed to provide high quality, reliable, fast solutions for the emergency power.



enda
ENERJİ HOLDİNG A.Ş.

ENDA ENERGY

EGC InfraEnergy took over 4.21% of the shares of Enda Energy Holding ("Enda Energy") on 17 January 2013, right after the completion of the change of company status on 31 December 2012 in order to form an energy investments portfolio. EGC InfaEnergy continued to acquire the shares of Enda Energy throughout the year and at the end of the reporting period, the acquired shares increased to 5.34%.

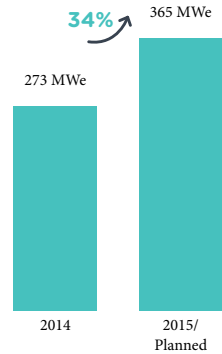
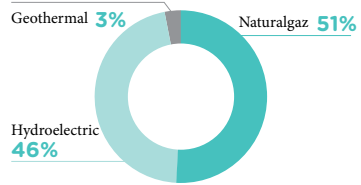
Operating in the energy industry since 1993, Enda develops energy investment projects in the Aegean and Mediterranean regions, conducts energy investments, operates current production plants and energy trade as well as any kind of production technologies, primarily renewable

energy in the capacity of an investor. Enda provides electrical energy to real and legal entities within the scope of a free consumer since 2004. In virtue of both producing electricity from renewable resources and owning natural gas plants, Enda is able to produce uninterrupted electricity and thus supply electricity to consumers with reasonable unit prices during the year.

With a focus of obtaining solid position in energy sector, significant portion of Enda Energy's portfolio will consist of renewable energy with the upcoming investments.

Enda Energy has various subsidiaries and affiliates in the energy industry including hydroelectricity, wind energy, geothermal energy and natural gas, operating under the titles Gonen HES A.S., Su Enerji A.S., Antalya A.S., Akcay A.S., Tuzla A.S., Tirenda A.S., Egenda A.S., Yaylakoy A.S., RES IYTE A.S., Solenda A.S., Ardenda A.S. and Izmir Teknoloji A.S.. In this sense, the portfolio allocation of Enda Energy is 51% natural gas, 46% hydroelectric and 3% geothermal.

With 8 plants operational, Enda Energy and its subsidiaries have a total of 273 MWe installed capacity at the end of 2014. In addition, by finalizing investments of 1 hydroelectricity and 5 wind projects, 6 projects in total, it is planned that by the end of 2015 an additional 92 MWe installed capacity shall be put into operation.



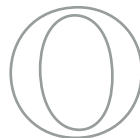
EXITED INVESTMENTS OF EGC INFRAENERGY

JKS ENERGY

JKS Enerji Guc Sistemleri Tic. ve San. A.S. (JKS Energy) commissioned its commercial activities in 2013 and offering generator maintenance and care, leasing services and sales solutions to the corporations and institutions of any scale, had joined in the portfolio of EGC InfraEnergy as a 50% affiliate. Afterwards, at the end of 2014, EGC InfaEnergy exited from its portfolio by selling its shares in the Company to other shareholder.

Organization *n.*

1. Overall functional structures to generate and increase income. 2. Combination of experienced and skilled human resources, for value generated sustainable investments.



EGC InfraEnergy takes care for installing and applying systems for accurately assessing the individual differences for the employees, preparing a convenient environment for personal and professional development of the employees and providing a convenient workplace environment.

EGC InfraEnergy adopted as principle management of the human resources, being its highest capital and basis of its success, according to the international standards. EGC InfraEnergy, progressively following up contemporary implementations in the human resources management and aiming at implementing in the most consistent manner with the culture of the company, works in consultation with the consulting firms specialized on the relevant fields with regard to the matters of recruitment, training and development, career management, performance assessment.

The total number of personnel employed in the Company as of 31 December 2014 is 5. (2013:2)

Employees' health insurance, food and transportation are offered by the Company.

Employment

The company adopted the principle of "equal opportunity for everyone" in recruitment. EGC InfraEnergy, abstaining from stating discriminating expressions or qualifications such as age or sex in the announcements of vacation, maintains this attitude at all the stages of recruitment and elects the most appropriate candidate for the position based on the objective criteria. EGC InfraEnergy keeps its door open for anyone, having invested in occupational and personal improvement, being highly motivated, dynamic and open for improvements and innovations and believing in the team spirit.

Training and Improvement

EGC InfraEnergy pays utmost attention to occupational and personal improvements of the human resources and therefore continuously makes investment in its human resources. Many different ways such as individual demands, executives' observances, performance assessment negotiation results, assessment center studies are followed in determination of the needs of the employees for improvement. Taking all the results into consideration, annual improvement plan is prepared and closely monitored for each employee.

Performance Management System

A systematic study is carried out throughout the year in order to evaluate the performance objectively and reward the success. The company prepares an individual performance report for each EGC InfraEnergy employee, including annual targets and necessary competence for the relevant position, according to the company's targets. Performance of the employee is followed up throughout the year and performance evaluation negotiations are held in January each year.

Purpose of EGC InfraEnergy's performance management system is to provide the appointment and rewarding system with data, ensure assessment of the stronger and improvable aspects of the employees objectively and support sustainable improvements.

Career Management

Job definitions, necessary competence, criteria for success and career plans are defined for all the positions in EGC InfraEnergy. Direction and development activities required for improvement of the employee according to the career plan are governed and followed up by the human resources.

Position *n.*



The measure situation taken against risks that have been encountered through the process of achieving corporate goals.

Liquidity Risk

Liquidity risk is the Company's possibility of failing to fulfill of its net funding obligations. Uncertainty in the markets or occurrence of events as a result of decrease in funding resources such as decrease in credit ratings can give rise to Liquidity Risk. The management of EGC InfraEnergy manages Liquidity Risk by keeping enough cash and similar resources ready in order to fulfill its current and potential responsibilities by distributing the funding resources. The Company performs periodical liquidity risk analysis for the risks it may expose to.

Credit Risk

Credit risk is the risk of occurrence of financial loss of one of the parties in a commercial relation due to of failure by the other party to meet its obligation relating to a financial instrument. The Company is exposed to the credit risk due to its deposit amount kept in the bank. All the bank deposits of the Company are kept in Turkish banks.

Financial Risk

Due to its activities, the Company is investing in long-term projects. Financing needs of these investments are satisfied by liquid values; and the risks such as failure to find funds with appropriate conditions for project financing credit, failure to create due dates of the existing debts according to the due dates of the assets

under the current assets item and failure to establish optimum balance between the assets and resources are all monitored.

Currency/Interest Rate Risk

Foreign Currency Risk is the effects arising from currency rate movements in case of having assets, liabilities and Off-Balance Sheet liabilities in any foreign currency. The company currently is not subject to foreign currency risk. The Company expose to interest rate risk due to effects of the changes in market interest rates lead to fluctuations in the prices of financial instruments. These exposures are managed by short-term retention of assets affected by interest rate changes.

Share Certificate Price Risk

All stocks of the Company categorized as financial assets held for purchase and sale are traded at Borsa Istanbul. Based on the analyses made by the Company, in the event that there is an increase/decrease of 5% in the stock market price of the shares, presuming that all other variables remain constant, there is a TL 119.213 decrease/increase net period loss of the company for the period at December 31, 2014. (31 December 2013: TL 472).

Market Risk

Market risks such as; fluctuations in electricity prices, changes in electricity demand, price instability for the raw materials (sources), state ongoing

intervention in the electricity market, are important elements that need to be monitored closely especially in recent years.

Economic Risks

Adverse effects of economic instability (such as stagnation, crisis, recession, devaluation etc.) and fluctuations in currency and interest rates are the major risk factors for the investment and operation stages.

Investment Risks

The Company has combined-cycle natural gas, wind power plants, as well as mobile generators, geothermal energy and mobile power station in its portfolio and therefore places great importance on feasibility studies, as the Company's main objective is to grow with profitable investments. Accordingly, the potential effects of all internal and external risk factors on planned investments are identified and relevant scenarios are analyzed.

Project Risk

The Company conducts technical feasibility studies at the most optimum level possible, in all stages of its projects, for which the investment decision has been made. The Company also takes into consideration financial feasibility, including macroeconomic growth, inflation rate, currency rates, sales volume, market impact, prices, and monitors these factors periodically. The profitability of a project is determined by calculating the internal productivity ratio, profitability index, and capital cost. During the project development stage, the Company closely monitors progress through the use project management tools.

Competition Risk

Through privatizations and a new regulatory framework, a more liberal and competitive market is being formed to replace the public monopoly in the energy sector, leading to increased competition. Therefore, the Company manages competitive risk by implementing innovative sales and marketing strategies. As a result, portfolio diversification will continue to be on the company's agenda in the coming period as well.

Legal/Political Risks

Legal and political risks, defined as changes in regulations, delays in obtaining project permits, licenses or expropriation permits from public authorities, compliance with tender contract conditions, and political relations, are considered natural risks in the energy sector. The Company keeps such risks under control through close monitoring and timely actions.

Technology Risks

As technological developments, newer and more efficient energy production systems, at the same or lower cost, continue to emerge every day, the Company may potentially experience weakening competitive power in terms of profitability. Therefore, the Company makes short-term upgrades to integrate these new technologies.

Environment/Health/Safety Related Risks

At its facilities, the Company implements strict policy and procedural guidelines to ensure compliance with legal standards related to environmental protection, safety and health; the Company also tries to take the necessary measures against adverse geographic and climatic conditions.

Qualification *n.*

Skill and knowledge needed for innovative, sustainable and responsible investments.



Amendment to the articles of association, made during the period

No amendment was made to the articles of association for any reason in 2014.

Treasury shares owned by Company

As of 31 December 2014 there are no self-owned shares of the Company

Private and public inspections conducted within the reporting period

The Company was not subject to any private or public inspections in 2014.

Administrative or law enforcement imposed on the Company or members of the management body due to practices contrary to provisions of the legislation

There was no administrative or law enforcement imposed on the company or members of the management organ due to practices contrary to provisions of the legislation within the accounting period.

Whether the targets specified in the past periods were achieved or not, the resolutions of the Shareholders' Assembly were accomplished or not, and if the resolutions were not accomplished; the reasons

The Company mostly achieved the specified targets in 2014.

If the company is part of a corporate group; legal transactions performed with the parent company, a subsidiary of the parent company, on behalf of the parent company or a subsidiary of the parent company with the instruction of the parent company and any other measures taken or avoided taking on behalf of the parent company or a subsidiary of the parent company

The details of the relevant legal transactions are specified in the Annual Dependency Report to be submitted to Shareholders' Assembly. There were no such measures taken or avoided taking within 2014.

If the company is part of a corporate group; according to the terms and conditions known to them at the time a legal transaction mentioned in previous clause was performed or a measure was taken or avoided taking, whether in every legal transaction an appropriate substituted performance was provided or not and whether the measure taken or avoided taking caused any damage to the company or not; if the company experienced any damage whether this was compensated or not

According to the terms and conditions known by Board of Directors at the time of the legal transaction, on every legal transaction the Company provided an appropriate substituted performance. There were no measures taken or avoided taking in a manner causing any damage to the Company in 2014.

Whether legal actions had been lodged against the company that would affect the company's fiscal position and actions or not

There are not any administrative or judicial decisions applicable neither to the company nor the members of the board due to their acts in breach of the applicable legislation, in 2014.

However, the company has been informed by Tan Egeli who is, the chairman of the board of Egeli & Co. Investment Trust (EGC InfraEnergy), that a lawsuit is brought against the

board members of EGC InfraEnergy, by Şeker Finansal Kiralama A.Ş., the security creditor of KRC Gayrimenkul Yatırım (KRC Real Estate) in December, 2014 as this information was published to the investors on January 5, 2015. KRC Real Estate is a venture capital investment of EGC InfraEnergy and EGC InfraEnergy sold its shares on December 3, 2013. The lawsuit is based on the board members' personal responsibilities who were appointed for the term in which EGC InfraEnergy was a shareholder of KRC Real Estate. EGC InfraEnergy is not a party to this lawsuit.

Additionally, we have started working on the collection proceedings of 8,750.000 TL which is subject to a cheque issued by Kenan Onak, dated December 30, 2014 and signed as a surety on October 26, 2014 by Kırıcı Jeneratör Satış ve Servis Hizmetleri A.Ş and Kırıcı Elektroteknik San. ve Tic. Ltd. Şti. whom bankruptcies have been decided with the file numbered 2014/1361 of İstanbul Anatolia 7th Commercial Court. This cheque which is bounced on its due date was issued for our company, regarding the balance receivables arising out of the share sale in our venture capital investment which is KRC Real Estate and concluded in the total amount of 25,750.000 TL, on December 3, 2013.

Responsible *adj.*

1. Liable to carry success to higher levels and to the future. 2. Able to fulfill obligation to employees, investors, host communities and the general public.

R

EGC InfraEnergy considers committee activities as stronger steps made for institutionalism.

Chairman and members of the committee were appointed according to the corporate governance principles at the board of directors meeting held on April 8, 2014 after the election of the members of the board of directors at ordinary general assembly meeting held on April 3, 2014.

In 2014, the audit, corporate governance and the early detection of risk committees fulfilled their duties and responsibilities set forth in the operating principles. Frequencies of the conventions and activities of the committees in 2014 are given as follows:

The Audit Committee convened 5 times within the year. At one of those meetings, independent audit offers collected for auditing financial statements of the year 2014 were assessed and the recommendation of the committee was issued for submission to the board of directors. The issuance process of annual and interim financial statements was revised according to the laws and regulations in effect at the other four committee meetings and the board of directors was presented an opinion the compatibility of the financial statements.

The Corporate Governance Committee convened five meetings within the year. At these meetings, the matters of preparations for the general assembly meetings held in 2014, common and continuous transactions of the Company, appointment of the investor relations manager as the corporate governance committee member at the same time, protection of the effective relation between the Company and the shareholders through the investor relations department, were discussed and the opinions were presented to the Board of Directors.

The Early Detection of Risk Committee convened six meetings within the year. At these meetings the foreign currency risk with regard to the activities of the Company was reviewed; the preparatory works for definition and management of the risks regarding operational, financial, administrative and informatory systems, which may jeopardize presence, development and continuance of the Company, were assessed; risks arisen from financial activities and investments of the Company were assessed; a commendation was presented to the board of directors in order to fulfill the requirements to manage such risks.

STATEMENT OF RESPONSIBILITY
PREPARED PURSUANT TO ARTICLE
9 OF THE COMMUNIQUÉ ON
THE PRINCIPLES OF FINANCIAL
REPORTING IN CAPITAL MARKETS
OF THE CAPITAL MARKETS
BOARD

RESOLUTION DATE: 02/03/2015
RESOLUTION NO: 86

OF THE BOARD OF DIRECTORS
REGARDING THE APPROVAL OF
FINANCIAL STATEMENTS AND
ANNUAL REPORTS

We hereby declare that:


a) We have examined the financial statements and board of directors' annual report for 01.01.2014-31.12.2015 period;

b) Based on the information we possess within the scope of our duties and responsibilities in the Company, financial statements and board directors' annual report do not contain any misrepresentation of the facts on major issues, or any omissions that may be construed as misleading as of the date of the disclosure;

c) Based on the information we possess within the scope of our duties and responsibilities in the Company, the financial statements prepared in accordance with the financial reporting standards in effect, provide an accurate view of the assets, liabilities, financial position and profit or loss of the Company, and the annual report provides an accurate view of the development and performance of the business and the financial position of the Company as well as the principal risks and uncertainties the Company is exposed to.



Ersoy COBAN
Chairman
of the Board



Akin AYDIN
General
Manager

Skill *n.*



1. The ability of a company to fulfill promises to its stakeholders. 2. The power, capacity of a company to comply with any condition or circumstance.

SECTION I - COMPLIANCE TO CORPORATE GOVERNANCE PRINCIPLES DECLARATION

EGC InfraEnergy carries out its operations in line with the four primary pillars of corporate governance, which are fairness, accountability, responsibility and transparency and complies with the compulsory provisions of Corporate Governance Communiqué of the Capital Markets Board (“CMB”) and takes care for complying with discretionary provisions as much as possible.

SECTION II - SHAREHOLDER

2.1. Investor Relations

EGC InfraEnergy has an Investor Relations Unit reporting to the Company’s general manager. Investor Relations contact information is indicated below:

Cagri DEMIREL

Investor Relations Manager

Tel: +90 212 343 0626

Fax: +90 212 343 0627

E-mail: yatirimci@eglyo.com

Emel BAYDAR

Investor Relations Staff

Tel: +90 212 343 0626

Fax: +90 212 343 0627

E-mail: yatirimci@eglyo.com

With respect to investor relations following responsibilities are observed:

- Ensuring that records of correspondence between investors and the shareholding as well as the records pertaining to other data and documents are kept correctly, safely and up to date;
- Responding to the information requests of shareholders regarding the shareholding;
- With regard to the general meetings; preparing the documents to be submitted to the perusal of the shareholders and taking necessary measures as to ensure that general meetings are held in compliance with the relevant legislation, articles of association and other internal regulations;
- Ensuring and monitoring that duties and obligations arising out of the capital market legislation including the issues related to corporate governance and public disclosure are fully respected.

Investor Relations Unit has performed below stated activities in the relevant period:

- Investors have lodged 30 information requests via telephone. Their questions are responded in compliance with relevant legislation and the disclosure policy of the company. Except from the requests involving confidential information and trade secrets, all of the information requests are met respecting equality principle.
- It is ensured that general meeting is carried out in compliance with the relevant legislation, articles of association and other internal regulations

- Prior to the general meeting, informative documents are prepared for the perusal of the shareholders.
- Legal obligations regarding public disclosure are fulfilled and it is ensured that required information is provided to Public Disclosure Platform so that such information is complete, clear, adequate, and direct and does not involve misleading expressions.

2.2. Exercise of the Right to Receive Information by the Shareholders

In accordance with the relevant regulation and Disclosure Policy of the Company, all investors must be equally informed. In any information shared with investors, any information not previously disclosed to the public is not included. The number of questions asked by investors is stated in the investor relations section of the report.

On the Company website information or disclosure is contained that might affect exercise of shareholders' rights. Besides this, all disclosures made on Public Disclosure Platform were also announced on the Company website www.eglyo.com.

No arrangement for a personal right allowing minority shareholders to request a private auditor appointment is contained in the Articles of Association of the Company. No such requests were made within the reported period.

Investor relation unit of the Company, maintained regular database about the activities carried out during the reporting period and reports about the

Transparency *n.*



1. The extent to which a corporation's actions are observable by stakeholders. 2. Visible, predictable and understandable actions lead to stakeholders' confidence.

activities of investor relations unit are presented to the board at least once in a year.

2.3. Shareholders' Assembly Meetings

The call for the Ordinary General Shareholders' Meeting held on 03 April 2014 was announced on Turkish Trade Registry Gazette dated April 18, 2014 numbered 8530, and also on 11 March 2014 in Company website and Public Disclosure Platform, Central Registry Agency's Platform (CRA) and e-Governance system.

Out of 2,000,000,000 shares corresponding to the entire capital of the Company, amounting to TL 20,000,000.00; total 1,680,649,903 shares corresponding to TL 16,806,499.03 were presented at the meeting; which involves 25,000,000 shares of Class A amounting to TL 250,000.00 and 1,655,649,903 shares of Class B amounting to TL 16,556,499.03 were represented in person at the meeting. No agenda proposed by the shareholders during the meeting.

To facilitate the participation in the General Shareholders' Meeting the time and the place for the meeting is announced clearly in Company website and Public Disclosure Platform.

The majority of independent board must cast affirmative votes for board to decide. During the period no negative votes casted by the independent board members and therefore no transaction mentioned in the general assembly meeting. No stakeholders or media representatives attended the meeting.

A representative of the Corporate Governance Rating Company attended the meeting as a guest.

A General Shareholders' Meeting Information Document containing explanatory information in regard to the matters on the agenda was prepared and announced on the Company website before the meeting. Before the General Shareholders' Meeting, the Annual Report and Financial Statements, the dividend distribution proposal and Articles of Association were available for review at the headquarters of the Company where the meeting was held.

In the General Shareholders' Meeting under a separate agenda item regarding donations and financial aid, shareholders were not informed.

General Shareholders' Meeting minutes are announced on the Company website under Investor Relations section under Corporate Governance header at the link for General Assembly, in Central Registry Agency's (CRA) disclosure platform and Public Disclosure Platform.

There has not been any occasion that may lead to conflict of interest between Executive shareholders, board of director members, managers with administrative responsibility, their spouses and their first and secondary level kinship by consanguinity or marriage, and their partnerships or affiliates.

2.4. Voting Rights and Minority Rights

The issued capital of the Company comprises 25,000,000 Group A nominative shares each with nominal value of one Kurus with a nominal value of TL 250,000 in total and 1,975,000,000 Group B nominative shares each with nominal value of one Kurus with a nominal value of TL 19,750,000 in total.

Group A shares have a privilege for the nomination of two thirds of the Board Members. If two thirds of the number of Board Members comprises a decimal, it shall be rounded off to the nearest whole number. The rest of Board Members shall be determined by the Shareholders' Assembly.

All shares are nominative. Assignment of nominative shares shall not be restricted. However, shares representing the minimum capital share of the

leading investor specified in the Capital Markets legislation and the amount of preferred shares enough to provide management control shall not be assigned during the conversion and the two years following the completion of the conversion process.

In the capital increases to be made, new Group A shares shall be issued in return for Group A shares and new Group B shares shall be issued in return for Group B shares. However, in capital increases the Board of Directors is authorized for issuing new Group B shares in return for Group A shares. On the other hand, if the Board of Directors restricts the subscription rights of shareholders, all the shares to be issued shall be issued as Group B shares.

Any other company, in a mutual participation relation with the Company, did not vote at the ordinary general assembly meeting.

The minority rights were not determined as less than one twentieth of the capital in the articles of association of the Company.

2.5. Dividend Rights

There are no privileges for participation in the profit of the Company.

Dividend distribution is made within its statutory time and the information on the dividend policy was submitted for the information of the shareholders at the general assembly meeting. The information on the dividend policy is disclosed in the official web site of the company and as follows:

Egeli & Co. Investment Trust Dividend Policy:

In accordance with Turkish Commercial Code, Capital Markets Law and the relevant regulation, while the financial position and profitability of the Company and general economic conjuncture is taken into consideration, distribution of the distributable net profit if any, in an extent that shall not affect the capital structure and work plan of the partnership via dividends in cash and/or bonus shares shall be submitted for the approval of General Shareholders' Meeting.

No condition was established with regard to proportion of our shareholders' equity to our total assets for distribution of bonus shares and no limitation was set for the distribution rate either.

In case of profit generation, it is targeted that the distribution would be made within no later than three months following the General Assembly meeting; and the General Assembly is authorized to resolve on the date of final dividend distribution. The General Assembly or the Board of Directors if authorized may resolve to distribute the dividend in installments in accordance with the capital market arrangements.

Subject to the permission given in the Articles of Association, whether advance dividend is to be distributed is at the discretion of the General Assembly or if authorized at the discretion of the Board of Directors. The advance dividend to be distributed may not exceed half of amount remained after deduction of the legal reserves and the previous years' losses - required

to be reserved as per the Turkish Commercial Code and the articles of association - from the net period profit generated according to the interim financial statements.

At ordinary general assembly meeting for the year 2014, it was unanimously resolved, upon proposal of the Board of Directors, that the Company had loss of TL 576,108 from the activities of the year 2013, according to the provisions of the Communiqué on Principles of Financial Reporting in the Capital Market (Series II and No. 14-1), issued by the Capital Market Board; and therefore, no dividend would be distributed; TL 324,687 would be set-off from the "Previous Years' Profits" set forth in the financial statements; the remaining amount would be transferred to the account of Previous Years' Losses; and Period Loss of TL 1,706,542.89, set forth in our official accounts prepared as per the Tax Procedural Code would be transferred to extraordinary reserves after TL 85,327.14 of this amount is allocated as "First Legal Reserve".

2.6. Assignment of Shares

There are no provisions in the Articles of Association restricting assignment of shares. All shares of the Company are nominative. Assignment of nominative shares shall not be restricted. However, shares representing the minimum capital share of the leading investor specified in the Capital Markets legislation and the amount of preferred shares enough to provide management control shall not be assigned during the conversion and the two years following the completion of the conversion process. Assignment of preferred shares is subject to the approval of CMB.

Unique *adj.*



Getting an unrivaled and exclusiveness position by displaying superior qualifications in subjects of activity.

SECTION III - PUBLIC DISCLOSURE AND TRANSPARENCY

3.1. Corporate Website

The corporate website www.eglyo.com of the Company is actively used both in Turkish and in English for implementation of the disclosure policy within the framework of the Corporate Governance Principles of the Capital Market Board.

3.2. Annual Report

Annual report of the Company is prepared in line with the capital market regulations and the Corporate Governance Principles of the Capital Markets Board.

SECTION IV - STAKEHOLDER

4.1. Informing Stakeholders

The Company defines any persons, groups or establishments affecting or being affected by achievement of its objectives and sustainment of its operations and thus having legitimate interests on the operations of the Company as its stakeholders. The Company believes that the shareholder value can only be maximized by watching over the interests of all stakeholders and that the interests of the shareholders and stakeholders run

parallel to each other. The company takes maximum care for the interests of stakeholders under this philosophy.

Stakeholders are invited to the meetings regarding any matters concerning them or are informed via communication methods as required. Meetings, Company website, email, Public Disclosure Platform (PDP), Central Registry Agency's Platform (CRA), e-Company, e-Governance system are used as communication methods.

Responsibility for assessment of the views of stakeholders regarding transactions they consider to be against the regulation or ethically inappropriate is given to Audit Committee. Stakeholders may contact the company to share their views via investor relations' e-mail and telephone.

4.2. Participation of Stakeholders in Management

No preparation was made for participation of stakeholders in the management.

4.3. Human Resources Policy

The most important capital of EGC InfraEnergy for achieving its targets is its qualified human resources. The responsibility for carrying out the relationships with employees is fulfilled

by Zeynep AYGUL, Human Resources Officer of the Group. Human Resources activities of the Company is focused on finding and maintaining well educated, expert and competent human resources through the concept of the right person for the right job.

The required measures for avoiding discrimination in terms of race, religion, language, gender, age, physical handicap or any other reason, respecting human rights and protecting the employees from physical, sexual, mental or sentimental abuse are taken and monitored by Audit Committee. During recruitment no discrimination is made to anyone and the selection process is carried out based on objective criteria. The principle of providing equal opportunity for equal people is adopted for career planning. There were no complaints received by the Company in regard to discrimination.

Job descriptions and distribution of employees and also performance and reward criteria based on the Company's human resources policy is announced to employees.

The Company takes care for installing and applying systems for accurately assessing the individual differences for the employees, preparing a convenient environment for personal and professional development of the employees and providing a convenient workplace environment.

Human Resources Processes of the Company are carried out under the following headings:

- Human Resources Planning
- Job Descriptions and Job Evaluation

- Training and Development
- Performance Assessment and
- Rewarding

Skilled Human Resources

The Company pays attention that any persons joining the team shall hold the competencies, qualifications, knowledge, education and career required by the position, be suitable for teamwork and be open for changes and development.

Improvement of Performance

The training objectives of the Company are providing the employees adopt certain knowledge, skills and behavior as well as providing support for them so that they shall apply the same also in their lives. Competencies and professional skills of the employees are objectively assessed within the scope of the Performance Assessment System and their areas in need of development are specified. Training requirements set by the employees and managers together are met within a systematic training program in the next stage.

Rewarding

In order to provide the right remuneration for the right job and maintain the balances within the Company, a rewarding policy consistent with the steps specified in line with market conditions is applied in the Company through a flexible Rewarding System consistent with the constantly changing employment environment. The Company takes care for forming the reward package in such a way providing the employees be motivated towards the targets of the Company.

4.4. Code of Ethics and Social Responsibility

Code of Ethics put into effect by the Company's board after being submitted for the approval of the shareholders in the general assembly. EGC InfraEnergy Code of Ethics is binding for anyone connected to the Company including Board of Directors Members. Codes of Ethics of the Company communicated to all employees by signing. Code of Ethics of the Company is disclosed to the public on the Company website.

As a member of EMPEA (Emerging Markets Private Equity Association), EGC InfraEnergy has adopted contributing to the society and minimizing the damage given to the natural environment by its operations as an inseparable part of its business model.

In all investment operations planned within EGC InfraEnergy, which has specified complying with Socially Responsible Investing Principles while materializing its investments as its main objective, developing environment friendly and profitable businesses is aimed.

SECTION V- BOARD OF DIRECTOR

5.1. Board Composition and Structure

Board of Directors, which shall comprise at least 5 and at most 12 members the majority of which shall be nonexecutive, elected for a term of at most 3 years by General Shareholders' Meeting, is responsible for managing, representing and binding the Company against third parties.

Among these members there shall be independent members as well. The number and qualifications of Independent Board of Directors Members shall be determined in accordance with the compulsory Corporate Governance Principles. In the first meeting Board of Directors shall elect from among its members a Chairman and Vice-chairman who shall deputize the Chairman. Unless assigned, all members of the Board of Directors are responsible for the management.

If a legal entity is elected as a Board Member, along with the legal entity, a real person designated by the legal entity to act on behalf of the legal entity shall be registered and announced as well; additionally, it shall be immediately announced on the Company Website that the registration and announcement has been completed. Only this registered person may join the meetings and vote on behalf of the legal entity.

Board Members and the real person to be registered on behalf of the legal entity must be fully competent. Any reasons causing the termination of membership also hinder election.

The Board of Directors shall fulfill the duties specified by the provisions of TTC, CML, Articles of Association, resolutions of the Shareholders' Assembly and any other relevant legislation. The Board of Directors is authorized for taking resolutions for any matters other than those where a resolution taken by the Shareholders' Assembly is held compulsory by the law or Articles of Association.

Any member whose term has expired may be re-elected. In the event of a vacancy in membership for any reason Board of Directors shall temporarily elect a member for this vacant position, who conforms to the conditions prescribed by the Turkish Commercial Code and Capital Markets Law and shall present such appointment to the approval of the first next shareholders meeting. Hence, the said elected member shall complete the term of office of the former member.

The general assembly may at any time dismiss the board members.

For sound fulfillment of the duties and responsibilities committees shall be formed within Board of Directors. While forming the Committees Capital Markets legislation shall be complied. In the Company, remuneration committee's responsibilities and

Board of Directors comprises five members, three of which are nonexecutive and two are independent.

duties are performed under corporate governance committee. The chairman of the corporate governance committee is an independent member, Murat Nadir Tansel SARAC.

Mr. Ahmet Berker ARGUN and Murat Nadir Tansel SARAC were appointed as the independent member of the board of directors upon recommendation by the Corporate Governance Committee and ratification at the General Assembly held on April 3, 2014. No other candidates were nominated for Corporate Governance Committee other than these candidates.

Every independent member has the criteria for the independence.

CVs of the members of the board of directors are given in the board of directors section of this report.

Name-Surname	Title	Executive/ Non-executive/ Independent		Start Due Date
Tan EGELI	Chairman	Nonexecutive		03.04.2014/ for 3 years
Ersoy COBAN	Vice-chairman	Nonexecutive		03.04.2014/ for 3 years
Muzaffer EGELI	Member	Nonexecutive		03.04.2014/ for 3 years
Murat Nadir Tansel SARAC	Member	Independent		03.04.2014/ for 3 years
Ahmet Berker ARGUN	Member	Independent		03.04.2014/ for 3 years
Akin AYDIN	General Manager			

Tan Egeli has 21 years, Akin Aydin has 20 years, Ersoy Coban has 19 year, Muzaffer Egeli has 22 years, M. Nadir Tansel Sarac has 22 years, Ahmet Berker Argun has 28 years and Akin Aydin has 20 years of professional experience.

Declaration of Independence

In regard to the office of Independent Board of Directors membership I shall undertake at Egeli & Co. Investment Trust ("Company"), in accordance with;

- Corporate Governance Communique of the Capital Markets Board with the number II-17.1, which entered into force upon its promulgation in the Official Gazette dated 03 January 2014 and with the number 28871
- Articles of Association of the Company and
- Provisions of other relevant legislation

I hereby declare that I hold the qualifications and criteria of an "Independent Board Member", I have read and understood the aforementioned information and documents and I shall completely fulfill the duties specified in the aforementioned information and documents.

I hereby declare that I hold all the qualifications required for being able to be qualified as an independent member in accordance with Communique for Specification and Application of Corporate Governance Principles with Serial: II-17.1, accordingly;

a) No employment relation exists at any executive position, which requires assumption of duties and responsibilities between the company, management and control of the company or subsidiaries on which the company has considerable effects, shareholders controlling the company

or having considerable effects on the company and legal entities controlled by these shareholders on one side and the independent member himself, his spouse and lineal consanguinity up to second degree on the other side; he would not hold more than 5% of the capital controlling or voting rights or privileged shares together with the others or by himself; or no important commercial relation has not been established in the last five years;

b) The independent member has not served as a shareholder (5% or more), top-executive assuming important tasks and responsibilities or a member of the board of directors in the companies from which the company considerably buys services or products or to which the company considerably sells services and products within the frame of the agreements executed particularly on the matters of audit (including tax audit, legal audit and internal audit) of the company), rating and consulting of the company in the last five years;

c) The independent member is required to have occupational education, knowledge and experience to fulfill the duties to be assumed by him due to his independent membership in the board of directors;

ç) The independent member is required not to work on full-time basis in any public institution and organization, excluding academic position at the university, after appointment to the board of directors; provided that the relevant laws and regulations are abided;

d) The independent member is required to reside in Turkey according to Income Tax Law dated 31/12/1960 and numbered 193.

e) The independent member is required to have stronger ethical standards, occupational prestige and experience to contribute to the activities of the company positively, protect his impartiality in conflicts of interests arisen between the company and the shareholders and to freely decide by considering rights of the beneficiaries;

f) The independent member is required to spare time for the company affairs to the extent that he would be able to follow up the activities of the company and fulfill the requirements of the tasks he assumes.

g) The independent member is required not to have served as member of the board of directors for more than six years in the last ten years.

ğ) The independent member is required not to become an independent member in more than three companies controlled by the same person or the company or the companies controlling the company and in more than total five companies quoted on the stock exchange.

h) The independent member is required not to have been registered and announced for and on behalf of the EGC InfraEnergy legal entity appointed as the member of the board of directors. The independent member is required to have represent and acknowledge that he would devote himself to the extent that he would fully perform the affairs of the company.

Additionally, I hereby declare and acknowledge that in the last ten years I did not serve for more than six years as a Board of Directors Member.

Again I hereby declare and acknowledge that if any situation emerges that may annul my independence for any reason, I shall convey this change to Board of Directors as to be disclosed to the public in accordance with provisions of the relevant Communiqué for Specification and Application of Corporate Governance Principles.



Ahmet Berker ARGUN

Declaration of Independence

In regard to the office of Independent Board of Directors membership I shall undertake at Egeli & Co. Investment Trust ("Company"), in accordance with;

- Corporate Governance Communiqué of the Capital Markets Board with the number II-17.1, which entered into force upon its promulgation in the Official Gazette dated 03 January 2014 and with the number 28871
- Articles of Association of the Company and
- Provisions of other relevant legislation

I hereby declare that I hold the qualifications and criteria of an "Independent Board Member", I have read and understood the aforementioned information and documents and I shall completely fulfill the duties specified in the aforementioned information and documents.

I hereby declare that I hold all the qualifications required for being able to be qualified as an independent member in accordance with Communiqué for Specification and Application of Corporate Governance Principles with Serial: II-17.1, accordingly;

- a) No employment relation exists at any executive position, which requires assumption of duties and responsibilities between the company, management and control of the company or subsidiaries on which the company has considerable effects, shareholders controlling the company or having considerable effects on the company and legal entities controlled by these shareholders on one side and the independent member himself, his spouse and lineal consanguinity up to second degree on the other side; he would not hold more than 5% of the capital controlling or voting rights or privileged shares together with the others or by himself; or no important commercial relation has not been established in the last five years;
- b) The independent member has not served as a shareholder (5% or more), top-executive assuming important tasks and responsibilities or a member of the board of directors in the companies from which the company considerably buys services or products or to which the company considerably sells services and products within the frame of the agreements executed particularly on the matters of audit (including tax audit, legal audit and internal audit) of the company), rating and consulting of the company in the last five years;

c) The independent member is required to have occupational education, knowledge and experience to fulfill the duties to be assumed by him due to his independent membership in the board of directors;

ç) The independent member is required not to work on full-time basis in any public institution and organization, excluding academic position at the university, after appointment to the board of directors; provided that the relevant laws and regulations are abided;

d) The independent member is required to reside in Turkey according to Income Tax Law dated 31/12/1960 and numbered 193.

e) The independent member is required to have stronger ethical standards, occupational prestige and experience to contribute to the activities of the company positively, protect his impartiality in conflicts of interests arisen between the company and the shareholders and to freely decide by considering rights of the beneficiaries;

f) The independent member is required to spare time for the company affairs to the extent that he would be able to follow up the activities of the company and fulfill the requirements of the tasks he assumes.

g) The independent member is required not to have served as member of the board of directors for more than six years in the last ten years.

ğ) The independent member is required not to become an independent member in more than three companies controlled by the same person or the company or the companies controlling the company and in more than total five companies quoted on the stock exchange.

h) The independent member is required not to have been registered and announced for and on behalf of the legal entity appointed as the member of the board of directors. The independent member is required to have represent and acknowledge that he would devote himself to the extent that he would fully perform the affairs of the company.

Additionally, I hereby declare and acknowledge that in the last ten years I did not serve for more than six years as a Board of Directors Member.

Again I hereby declare and acknowledge that if any situation emerges that may annul my independence for any reason, I shall convey this change to Board of Directors as to be disclosed to the public in accordance with provisions of the relevant Communique for Specification and Application of Corporate Governance Principles.



Murat Nadir Tansel SARAC

Other Duties of Board Members

Service in other companies provided by Board Members is subject to approval by Shareholders' Assembly in accordance with Turkish Commercial Code. In the General Shareholders' Meeting dated 03 April 2014, Board Members were authorized and approved in accordance with Corporate Governance Principles article 1.3.7 and 1.3.8 and Turkish Commercial Code Articles 395 and 396 which were in effect at that time. Board members' other duties in the group and out of the group, does not lead to any conflict of interest. In-group and Out of Group offices executed by Board of Directors Members are as follows:

Tan EGELI

Within the Group: General Manager at Egeli & Co. Asset Management, Chairman of the Board of Egeli & Co. Investment Holding, Egeli & Co. Agriculture Investment Trust, Egeli & Co. Investment Trust, Egeli & Co. Corporate Support Services, Egeli & Co. Financial Investment, EGC Real Estate Development and Investment, EGC Electric Energy Production.

Out of the group: Chairman of the board of Simya Agriculture Investments, Board Member at Istanbul Erkek Lisesi Foundation.

Value *n.*



Overall tangible and intangible positive items contributed to life by a company by means of social, cultural, economic assets.

Ersoy COBAN

Within the Group: chairman of Egeli & Co. Asset Management, vice president of the executive board at Egeli & Co. Investment Trust, at EGC Real Estate Development and at EGC Energy representing Egeli & Co. Investment Holding, member of board at Egeli & Co. Agri Capital Investment Trust, Egeli & Co. Corporate Support Services, Eurasia Energy Investments and Bati Agriculture. Coban is also general manager at Egeli & Co. Investment Holding.

Out of the group: None

Muzaffer EGELI

Within the Group: Board member at Egeli & Co. Investment Holding and Egeli & Co. Investment Trust.

Out of the group: Board member at Progida Food and Likya Agriculture.

Murat Nadir Tansel SARAC

Within the Group: Independent board member at Egeli & Co. Investment Trust and Egeli & Co. Agriculture Investment Trust.

Out of the group: Board member at Beyaz Filo Oto Kiralama and Flap Kongre Toplantı Hizmetleri Otomotiv ve Turizm.

Ahmet Berker ARGUN

Within the Group: Board member at Egeli & Co. Investment Holding, Egeli & Co. Investment Trust and Egeli & Co. Agriculture Investment Trust.

Out of the group: founding member of TUFIDER (Association of Consumer Finance Companies) and INKADE (Association of Human Resource Management) and also member of AMPD (Association of Shopping Centers)

5.2. Board Practices

The Board of Directors shall meet as required by the works of the Company. However, it must convene at least once a month. In the meetings every member has a right for one vote.

The agenda of the Board of Directors shall be determined by the Chairman of the Board. Amendments to the agenda are possible by a Board of Directors resolution.

In extraordinary conditions, if the Chairman does not call the Board for a meeting upon the written request of a member, the members shall hold the right to call the Board for a meeting ex officio.

The venue shall be the headquarters of the Company. However, the Board may also meet at any other place under the condition that it takes a resolution accordingly.

Quorum for the Board of Directors is the majority of the number of total members and decision quorum is the majority of participating members. This rule also applies when the Board of Directors meeting is held in an electronic environment.

Board Members shall not cast votes representing each other and shall not attend the meetings via proxies. If there is equality in the votes, the matter in question shall be left for the next meeting. If there is equality in the votes in the second meeting as well, the matter in question shall be deemed to have been rejected.

If none of the members has requested a call for a meeting, Board of Directors resolutions may also be taken by obtaining the written approvals of the majority of the number of total members upon a proposal by a Board Member on a certain subject written in the form of a resolution. In order that such a resolution shall be valid, the same proposal must have been made to all Board Members. It is not compulsory that the approvals be present on the same paper; however, every paper bearing a signature of approval must be pasted onto the Board of Directors Minute Book and be recorded in the Minute Book after being converted to a resolution comprising the signatures of the approvers, in order that such a resolution shall be valid.

The validity of the resolutions is subject to being in writing and signed.

In transactions considered important in regard to the application of Corporate Governance Principles, and any related party transactions of the Company and transactions for granting warranties, liens

or mortgages on behalf of third parties, the regulations of CMB concerning the compulsory Corporate Governance Principles apply, without prejudice to the exceptions provided for investment trusts and the provisions of the Capital Markets legislation the investment trusts must comply with. Any transactions made and Board of Directors resolutions taken which do not comply with the compulsory Corporate Governance Principles shall be deemed to violate the Articles of Incorporation and invalid.

In case of equality, Board of Directors Members does not have any right to vote and/or authorization for veto. Every Board of Directors Member has one vote including Chairman of the Board and none of the members has a weighted vote. In 2014 Board of Directors conducted 37 meetings. These meetings were conducted with majority of the participation.

Faults of the members of the board of directors during their terms of office are insured against the loss possibly caused by them and the policy liability limit is USD 10 million.

5.3. Number, Structure and Independence of Board Committees

Operating principles of the committees, constituted in the body of the board of directors, were prepared and arrangements were made for follow-up by the relevant departments. In 2014, 5 corporate governance committee meetings, 5 audit committee meetings and 6 early risk determination committee meetings were held.

The Audit Committee. At one of those meetings, independent audit offers collected for auditing financial statements

Warranty *n.*



An assurance to stakeholders and to the future, that obtained from projects completed in the past.

of the year 2014 were assessed and the recommendation of the committee was issued for submission to the board of directors. The issuance process of annual and interim financial statements was revised according to the laws and regulations in effect at the other four committee meetings and the board of directors was presented an opinion the compatibility of the financial statements.

The Corporate Governance Committee. At the meetings, the matters of preparations for the general assembly meetings held in 2014, common and continuous transactions of the Company, appointment of the investor relations manager as the corporate governance committee member at the same time, protection of the effective relation between the Company and the shareholders through the investor relations department, were discussed and the opinions were presented to the Board of Directors.

The Early Detection of Risk Committee. At meetings the foreign currency risk with regard to the activities of the Company was reviewed; the preparatory works for definition and management of the risks regarding operational, financial, administrative and informatory systems, which may jeopardize presence, development and

continuance of the Company, were assessed; risks arisen from financial activities and investments of the Company were assessed; a commendation was presented to the board of directors in order to fulfill the requirements to manage such risks.

Board of Directors have observed that committees have made significant contributions to the Company in improving the implementation of Corporate Governance practices, ensuring the accuracy, transparency and issuance of Financial Statements compliant with the legislation within the scope of their Terms of Reference.

Committee members are elected from nonexecutive board members and independent board members since there are two independent members in the Board of Directors, same independent members need to serve in more than one committee. The chairman and member of the audit committee were appointed from among the independent members; the chairmen of the other committees were appointed from among the independent members whereas the members of the same were appointed from among the members of the non-executive board members. Qualifications of these persons are set forth in this annual report and in company web site.

Audit Committee

Chairman: Ahmet Berker ARGUN
Member: Murat Nadir Tansel SARAC

Audit Committee Terms of Reference

1. Purpose

1.1. This procedure aims to determine the terms of reference of the audit committee, which assists the board of directors in implementing the independent audit and internal audit processes of Egeli & Co. Investment Trust (the "Company") in line with regulations and disclosing the Company's financial statements timely, accurately, and fairly to reflect the truth, as well as oversees and monitors potential complaints by stakeholders regarding compliance of the Company's transactions to legal and ethical standards.

2. Membership

2.1. The audit committee shall consist of at least two members. All members of the committee shall be selected from among the independent members of the board.

2.2. Members of the committee shall be appointed by the board, one of the members being appointed as the committee chairman.

2.3. Only members of the committee have to right to attend the committee meetings. However, other Company officers or independent advisors may be invited to attend the meetings by the chairman of the committee, when appropriate. In general, it is expected that independent auditor of the Company would attend the committee

meeting once a year to provide feedback to the Committee. The chief executive officer or the general manager of the Company cannot become committee members or attend the committee meetings.

2.4. The Committee members shall appointed for maximum term of office for which they are appointed as the members of the board. The members, who complete their terms of office, may be re-elected as long as they continue to have the required qualifications.

3. Quorum

3.1. The quorum for committee meeting shall be the majority of the total number of members. A duly convened meeting of the committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the committee.

4. Frequency of Meetings

4.1. As a principle, the committee shall meet once each two months. The committee members may organize additional meetings if required.

5. Notice of Meetings

5.1. Meetings of the committee shall be called by the chairman of the committee.

5.2. Unless otherwise agreed, notice of each meeting confirming the venue, time and date shall be forwarded to each member of the committee and other persons required attending the meeting at least three days before the date of the meeting. Supporting papers along with the agenda shall be sent to the committee members at the same time.

Yield *v.*



To generate income by committed to working hard and differentiating efforts by means of systematic and integrated approaches.

6. Minutes of Meetings

6.1. The chairman of the committee authorizes a committee member or any other attendee to be invited to minute the proceedings and resolutions at each meeting.

6.2. Minutes of committee meetings shall be circulated promptly to all members of the committee and, once agreed, to all members of the board, unless a conflict of interest exists.

7. Duties

7.1. To monitor the integrity of the annual and quarterly financial statements of the Company, and any other formal announcement relating to its financial performance.

7.2. To review presentations and press releases regarding the financial performance of the Company together with the top management.

7.3. To review the financial information and reference documents prepared for the analysts and rating agencies together with the top management.

7.4. To examine the consistency of accounting policies across reporting periods.

7.5. To assess the effect of new developments and regulations in accounting as well as off- balance sheet items on the financial statements together with the top management.

7.6. To advise the top management with regard to appointment or replacement of the internal audit manager and ensure efficient operation of the internal audit processes.

7.7. To review transactions with related parties. The ratification of a related party transaction is assessed under the resolution of the board of directors.

7.8. To recommend to the board of directors on the engagement with the independent audit company. Pursuant to this scope, the committee determines the appropriate cost for a healthy independent audit and advises the board of directors on the agreements terms including the scope of work and fees.

7.9. To review independent audit company's relationships with the Company and its executives to ensure the independence of the audit. It examines whether the independence is jeopardized by non-audit services or for any other reason and submits a report to the board of directors regarding the same.

7.10. To examine whether the independent audit team has adequate competence and sources.

7.11. To examine together with the independent auditor the problems and difficulties experienced in the audit process and evaluate measures taken by the top management.

7.12. To examine together with the independent auditor responsibilities, budget and staff of the internal audit function.

7.13. To evaluate, together with the independent auditor, disagreements between the independent auditor and the top management, which may partially or entirely affect the contents of the financial statements or independent audit report regardless whether they are resolved later.

7.14. To examine the report issued by the legal advisor of the Company and evaluate legal matters, which may considerably affect the financial statements.

7.15. To oversee and monitor potential complaints by stakeholders submitted to the Investor Relations Unit regarding compliance of the Company's transactions to legal and ethical standards.

7.16. To support the Board of Directors on the implementation of the Code of Ethics and examines complaints made in that respect.

8. Reporting Responsibilities

8.1. The committee shall make whatever recommendations to the board it deems appropriate on any area within its remit where action or improvement is needed.

8.2. The committee shall submit a report to the board of directors on proposals received from the independent audit companies, evaluation of the committee regarding the same and independence of the audit company.

9. Public Disclosures

9.1. The committee shall coordinate the preparation of the report included in the annual report.

10. Authority

10.1. The committee is authorized to seek any information it requires from any employee of the company in order to perform its duties.

10.2. The committee may obtain legal advisory or professional advice on any matter within its terms of reference. Such services shall be reimbursed from the internal audit budget.

10.3. The committee shall call any employee to be questioned at a meeting of the committee as and when required.

The committee is authorized to ratify non-audit services to be supplied by an independent audit firm.

Corporate Governance Committee

Chairman: Murat Nadir Tansel
SARAC

Member: Tan EGELI

Member: Cagri DEMIREL

Corporate Governance Committee Terms of Reference

1. Purpose

1.1. This procedure aims to determine the terms of reference of the Corporate Governance Committee, which assists the Board of Directors in terms of compliance of Egeli & Co. Investment Trust (the "Company") to the corporate governance principles, performance of the investor relations activities in accordance with the related laws and regulations, nomination of candidates for the board and the top management, assessment of board and executive performance and top-management career planning and improving of the Company's risk management process.

2. Membership

2.1. The corporate governance committee shall consist of at least two members. The chairman of the committee shall be selected from among the independent members of the board. The majority of the committee members shall be selected from among the non-executive directors. In case the committee consists of two members, all members shall be selected from among the nonexecutive directors, committee chairman being an independent director.

2.2. Members of the committee shall be appointed by the board, one of the members being appointed as the committee chairman.

2.3. Only members of the committee have to right to attend the committee meetings. However, other Company officers or independent advisors may be invited to attend the meetings by the chairman of the committee, when appropriate. The chief executive officer or the general manager of the Company cannot become committee members or attend the committee meetings.

2.4. The Committee members shall appointed for maximum term of office for which they are appointed as the members of the board. The members, who complete their terms of office, may be re-elected as long as they continue to have the required qualifications.

3. Quorum

3.1. The quorum for committee meeting shall be the majority of the total number of members. A duly convened meeting of the committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the committee.

4. Frequency of Meetings

4.1. As a principle, the committee shall meet once each quarter. The committee members may organize additional meetings if required.

5. Notice of Meetings

5.1. Meetings of the committee shall be called by the chairman of the committee.

5.2. Unless otherwise agreed, notice of each meeting confirming the venue, time and date shall be forwarded to each member of the committee and other persons required attending the meeting at least five days before the date of the meeting. Supporting papers along with the agenda shall be sent to the committee members at the same time.

6. Minutes of Meetings

6.1. The chairman of the committee authorizes a committee member or any other attendee to be invited to minute the proceedings and resolutions at each meeting.

6.2. Minutes of committee meetings shall be circulated promptly to all members of the committee and, once agreed, to all members of the board, unless a conflict of interest exists.

7. Duties

7.1. Terms of reference of the corporate governance committee covers the responsibilities defined by the capital markets regulations for the nomination committee, risk committee and the corporate governance committee.

7.2. To monitor the Company's compliance to the corporate governance principles, and reasons not to comply to a specific principle if not fully complied with, review resulting conflicts of interest and advise the

board for improvement. Pursuant to this scope, the committee ensures that the corporate governance compliance declaration and corporate governance compliance report is issued in accordance with the related laws and regulations.

7.3. To monitor investor relations activities, in cooperation with the board of directors, to maintain effective communication between the Company and investors, resolve and settle possible disputes. Pursuant to this scope, the committee takes necessary measures for providing accurate, complete and timely information to the investors in compliance with the related laws and regulations and ensures efficient functioning of the disclosure process. The committee ensures that the investor relations unit prepares the investor relations section of the corporate website and the documents to be submitted to the shareholders at the general assembly are up-to-date and accurate.

7.4. To monitor the composition and the size of the board of directors including competencies, knowhow, experience and diversification needed and advises the board of directors regarding the same.

7.5. To carry out activities to establish a transparent system to identify, evaluate and train appropriate candidates for the board of directors and determine policies and strategies regarding the same.

7.6. To determine and monitor approaches, principles and practices on performance assessment and career planning of the board of directors and the top management.

7.7. To evaluate the succession planning for the board of directors and the top management in line with the challenges the Company encounters, and competencies and experiences required at the board.

7.8. To review the composition of the board of directors, performance of individual members and advise the board of directors on re-nomination of nonexecutive members whose terms are expired. The committee members shall not comment on their re-nomination. The nomination process for existing committee members shall be governed by the board of directors.

7.9. To carry out activities for identification of risks promptly, which may threaten existence, development and continuity of the Company and take necessary measures regarding risks identified and implement relevant risk management processes.

7.10. To advise the board of directors on risk appetite, tolerance and strategy of the company, considering existing and expected financial and macroeconomic circumstances.

7.11. To review the ability of the Company to define and manage the new risk types.

7.12. To examine risks of brought by a strategically important transaction such as a significant M&A transaction and its impact on the risk appetite/ tolerance of the Company and advise the board of directors accordingly prior to board approval.

7.13. To overview efficiency of the internal audit and risk management processes at least once a year and approve the disclosures to be made regarding the same in the annual report.

7.14. To ensure that all employees are informed in writing regarding internal policies, processes, regulations and terms of reference of the Company.

8. Reporting Responsibilities

8.1. The committee shall make whatever recommendations to the board and auditor of the Company it deems appropriate on any area within its remit where action or improvement is needed each two months in writing.

8.2. The committee shall coordinate the preparation of the corporate governance compliance report to be published in the annual report and approve the same.

8.3. The committee shall ensure that necessary disclosures are made in the annual report with regard to the risk management practices and strategy of the Company.

9. Public Disclosures

9.1. The committee ensures that the contents of the Company's annual report is accurate, consistent and in compliance with the related laws and regulations and the disclosure policy of the Company.

9.2. The committee develops recommendations to ensure that the public disclosures, analyst presentations and disclosures of material events comply with the related laws and regulations and the disclosure policy of the Company.

10. Authority

10.1. The committee may obtain legal advisory or professional advice on any matter within its terms of reference.

10.2. The committee is authorized to seek any information it requires from any employee of the company in order to perform its duties.

Committee of Early Detection of Risks

Chairman: Ahmet Berker ARGUN
Member: Ersoy COBAN

Committee of Early Detection of Risks Term of References

1. Purpose

1.1. This procedure aims to determine the terms of reference of the Committee of Early Detection of Risks, which assists the Board of Directors in terms of early detection of the risks of Egeli & Co. Agriculture Investment Trust (the "Company"). The Committee for Early Detection of Risks is established for early detection of risks that might endanger the existence, development and perpetuation of the Company and to implement measures required against the risks determined as well as the management of risks.

2. Membership

2.1. The Committee of Early Detection of Risks shall consist of at least two members. The chairman of the committee shall be selected from among the independent members of the board. In case the committee consists of two members, all members shall be selected from among the nonexecutive directors, committee chairman being an independent director.

2.2. Members of the committee shall be appointed by the board, one of the members being appointed as the committee chairman.

Zenith *n.*

The highest point, way or level reached by a company with the successes achieved.



2.3. Only members of the committee have to right to attend the committee meetings. However, other Company officers or independent advisors may be invited to attend the meetings by the chairman of the committee, when appropriate. The chief executive officer or the general manager of the Company cannot become committee members or attend the committee meetings.

2.4. The Committee members shall appointed for maximum term of office for which they are appointed as the members of the board. The members, who complete their terms of office, may be re-elected as long as they continue to have the required qualifications.

3. Quorum

3.1. The quorum for committee meeting shall be the majority of the total number of members. A duly convened meeting of the committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the committee.

4. Frequency of Meetings

4.1. As a principle, the committee shall meet once each two months. The committee members may organize additional meetings if required.

5. Notice of Meetings

5.1. Meetings of the committee shall be called by the chairman of the committee.

5.2. Unless otherwise agreed, notice of each meeting confirming the venue, time and date shall be forwarded to each member of the committee and other persons required attending the meeting at least three days before the date of the meeting. Supporting papers along with the agenda shall be sent to the committee members at the same time.

6. Minutes of Meetings

6.1. Minutes of the meeting shall be kept in a documented manner.

6.2. Minutes of committee meetings shall be signed by all committee members and circulated promptly to all members of the committee and, once agreed, to all members of the board, unless a conflict of interest exists.

7. Duties

7.1. The Committee shall carry out duties for the identification of any risks that might endanger the existence, development and continuity of the Company, the implementation of required measures and the management of risks.

7.2. The Committee for Early Detection of Risks shall carry out studies in order to detect the Company's risks, develop methods of measurement, secure reliability of the methods of measurement, create strategies for the risk management, oversee the application of these strategies, determine the maximum limits for the risks of the Company and provide recommendations for the Board of Directors.

7.3. The Committee for Early Detection of Risks shall share its view with the Board of Directors for creating internal control systems including risk management systems and process of information that will minimize the effects of risks which might affect the stakeholders, particularly the shareholders, of the Company.

8. Reporting Responsibilities

8.1. The committee shall oversee and advise the Board every two months, in writing, on the current risk exposures of the Company by identifying threats and proposing actions. The report shall be sent to the Auditors.

8.2. The Risk Detection Committee shall prepare and present to the Board of Directors an annual assessment report, which shall be included in the annual reports, for working principles including its members, frequency of the sessions and executed activities, in order to provide a basis for board's evaluations of its effectiveness.

8.3. The committee shall ensure that necessary disclosures are made in the annual report with regard to the risk management practices and strategy of the Company.

9. Public Disclosures

9.1. The committee shall coordinate the preparation of the report included in the annual report.

10. Authority

10.1. The committee may obtain legal advisory or professional advice on any matter within its terms of reference.

10.2. The committee is authorized to seek any information it requires from any employee of the company in order to perform its duties.

5.4. Risk Management and Internal Control Mechanism

The purpose in the risk management and internal audit mechanism is based on development of implementations for definition of all the possible risks which the company encounters or may possibly encounter and for minimization of these risks and based on the follow up of all these implementations.

Internal Control Mechanisms were formed in the Company and in 2014 the efficiency of Risk Management and Internal Control was monitored under supervision by Committee of Early Detection of Risk. Risk Management and Internal Control Mechanisms are efficiently operated for specifying and managing the risks encountered by the Company. Risk Management operations are handled under two main headers as Operational and Financial Risk Management.

5.5. Strategic Goals

While the board of directors of the company administers and represents the company by keeping the risk, growth and return balance at the most appropriate level by means of its strategic decisions and by protecting principally long term interests of the company with the rationalist and prudent risk management approach on one hand, it is responsible for achievement by the company of its operational and financial performance objectives determined and disclosed to the public on the other hand. Strategic goals of the Company are set in line with proposals of senior managers and Board of Directors and are linked to budget targets. Budget targets and achievement rates are followed by the General Manager and Chairman of the Board of the Company and are assessed in Board of Directors meetings where the Interim Financial Statements of the Company are discussed.

5.6. Financial Rights

Remuneration Policy, consisting of any and all rights, interests and remuneration provided to the members of the board of directors and executives holding administrative responsibility as well as written criteria and remuneration principles used in determination of the same, is published on the official website of the company. As per the Corporate Governance Principles, the Remuneration Policy, determined by the board of directors, published and disclosed to the public on the official web site of the company, determining principles of remuneration for the members of the board of directors and the top executives, was submitted for the information of the shareholders at the General Assembly held on April 26, 2013 within the frame of the arrangements of the Capital Market Board; and no update has been made since then.

The aforesaid disclosure was made to include the board of directors and the top executives of the company. Monthly net TRL 1.850 remuneration is paid for each board members of the Company. The Company did not grant any warranties or loans or provide loan facilities to any Board Members or managers.

EGELİ & CO GİRİŞİM SERMAYESİ YATIRIM ORTAKLIĞI A.Ş.

CONVENIENCE TRANSLATION INTO ENGLISH OF
FINANCIAL STATEMENTS FOR THE PERIOD
1 JANUARY-31 DECEMBER 2014

(ORIGINALLY ISSUED IN TURKISH)

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CONVENIENCE TRANSLATION INTO ENGLISH OF
INDEPENDENT AUDITOR'S REPORT
ORIGINALLY ISSUED IN TURKISH

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Egeli & Co Girişim Sermayesi Yatırım Ortaklığı A.Ş.;

Report on the Financial Statements

1. We have audited the accompanying financial statements of Egeli & Co Girişim Sermayesi Yatırım Ortaklığı A.Ş. (the "Company") which comprise the statement of financial position as at 31 December 2014 and the statement of profit or loss, statement of other comprehensive, statement of changes in equity and statement of cash flows for the period then ended and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

2. The Company's management is responsible for the preparation and fair presentation of these financial statements in accordance with Turkish Accounting Standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Independent Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. Our audit was conducted in accordance with standards on auditing issued by the Capital Markets Board of Turkey and Independent Auditing Standards that part of Turkish Standards on Auditing issued by the Public Oversight Accounting and Auditing Standards Authority. Those standards require that ethical requirements are complied with and that the audit is planned and performed to obtain reasonable assurance whether the financial statements are free from material misstatement.

An independent audit involves performing procedures to obtain evidence about the amounts and disclosures in the financial statements. The procedures selected depend on independent auditor's professional judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to error or fraud. In making those risk assessments, the independent 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 independent audit includes also 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 independent audit evidence we have obtained during our audit is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

4. In our opinion, the financial statements present fairly, in all material respects, the financial position of Egeli & Co Girişim Sermayesi Yatırım Ortaklığı A.Ş. as at 31 December 2014 and their financial performance and cash flows for the period then ended in accordance with Turkish Accounting Standards.

Other Responsibilities Arising From Regulatory Requirements

5. In accordance with subparagraph 4 of Article 398 of the Turkish Commercial Code ("TCC") No: 6102; auditor's report on the early risk identification system and committee has been submitted to the Company's Board of Directors on 2 March 2015 .

6. In accordance with subparagraph 4 of Article 402 of the TCC; no significant matter has come to our attention that causes us to believe that the Company's bookkeeping activities for the period 1 January – 31 December 2014 is not in compliance with the code and provisions of the Company's articles of association in relation to financial reporting.

7. In accordance with subparagraph 4 of Article 402 of the TCC; the Board of Directors submitted to us the necessary explanations and provided required documents within the context of audit.

Talar Gül, SMMM
Partner

Istanbul, 2 March 2015

EGELİ & CO GİRİŞİM SERMAYESİ YATIRIM ORTAKLIĞI A.Ş.
CONVENIENCE TRANSLATION OF AUDITED BALANCE SHEET
AT 31 DECEMBER 2014 ORIGINALLY ISSUED IN TURKISH
(AMOUNTS EXPRESSED IN TURKISH LIRA ("TRY") UNLESS OTHERWISE INDICATED.)

		(Audited) Current Period	Restated ^(c) (Audited) Previous Period
	Notes	31 December 2014	31 December 2013
ASSETS			
Current Assets			
Cash and cash equivalents	6	2.785.841	3.367.871
Financial investments	7	2.384.265	2.009.431
Other receivables	8	858.846	24.170.393
Other current assets	8	96.853	116.473
Total current assets		6.125.805	29.664.168
Non-current assets			
Financial investments	7	26.358.591	11.147.029
Other receivables	8, 17	1.066.000	297.515
from related parties	17	1.066.000	297.515
Property and equipment	9	9.830	8.523
Total non-current assets		27.434.421	11.453.067
TOTAL ASSETS		33.560.226	41.117.235

^(c) Note 2.1.5.

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

EGELİ & CO GİRİŞİM SERMAYESİ YATIRIM ORTAKLIĞI A.Ş.
CONVENIENCE TRANSLATION OF AUDITED BALANCE SHEET
AT 31 DECEMBER 2014 ORIGINALLY ISSUED IN TURKISH
 (AMOUNTS EXPRESSED IN TURKISH LIRA ("TRY") UNLESS OTHERWISE INDICATED.)

		(Audited) Current Period	Restated ^(c) (Audited) Previous Period
	Notes	31 December 2014	31 December 2013
LIABILITIES			
Current liabilities			
Trade payables		46.601	483.018
Due to related parties	17	-	473.271
Due to third parties		46.601	9.747
Short-term provisions		77.185	22.597
Short term provision for employee benefits	11	799	-
Other short term provisions	11, 17	76.386	22.597
Other current liabilities	8	67.504	34.168
Total short-term liabilities		191.290	539.783
Long-term liabilities			
Long-term provisions	11	12.976	4.711
Provisions for employee benefits	11	12.976	4.711
Total long-term liabilities		12.976	4.711
Shareholders' equity			
Share capital	12	20.000.000	20.000.000
Adjustment to share capital		17.197.511	17.197.511
Costs arising from the capital increase		(67.383)	(67.383)
Share premiums		29.552	29.552
Other comprehensive income/expense not to be reclassified to profit or loss		4.617	550
Actuarial (loss)/gain		4.617	550
Other comprehensive income/expense to be reclassified to profit or loss	7	710.060	-
Revaluation gain of available for sale financial assets	7	710.060	-
Restricted reserves	12	3.604.255	3.518.928
Retained earnings/(accumulated losses)	12	(191.744)	324.687
Net income/(loss) for the period		(7.930.908)	(431.104)
Total shareholders' equity		33.355.960	40.572.741
TOTAL LIABILITIES		33.560.226	41.117.235

^(c) Note 2.1.5.

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

EĞELİ & CO GİRİŞİM SERMAYESİ YATIRIM ORTAKLIĞI A.Ş.
CONVENIENCE TRANSLATION INTO ENGLISH OF STATEMENT OF PROFIT
OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD
1 JANUARY-31 DECEMBER 2014 ORIGINALLY ISSUED IN TURKISH
(AMOUNTS EXPRESSED IN TURKISH LIRA ("TRY") UNLESS OTHERWISE INDICATED.)

		(Audited) Current Period	(Audited) Previous Period
	Notes	31 December 2014	31 December 2013
<i>Portion of gain or losses</i>			
Revenue	13	2.072.303	34.888.394
Cost of sales (-)	13	(1.457.719)	(31.695.436)
Gross profit	13	614.584	3.192.958
General administrative expenses (-)	14	(1.962.215)	(2.120.684)
Marketing expenses (-)	14	-	(463.494)
Other operating income	15	2.287.110	1.229.454
Other operating expense (-)	15	(8.867.588)	(2.269.014)
Operating loss (-)		(7.928.109)	(430.780)
Financial expenses (-)	11	(2.799)	(324)
Loss before tax from continued operations		(7.930.908)	(431.104)
<i>Tax income/(expense) from continued operations</i>			
Current period tax income/(loss)		-	-
Deferred tax income/(loss)		-	-
Loss for the period (-)	18	(7.930.908)	(431.104)
Loss per share (-) (Kr)	18	(0,3965)	(0,0216)
OTHER COMPREHENSIVE INCOME			
<i>Items to be reclassified to profit or loss</i>			
Revaluation gain of available for sale financial assets	7	710.060	-
<i>Items not to be reclassified to profit or loss</i>			
Remeasurement gains of defined benefit plans	11	4.067	550
Total comprehensive loss (-)		(7.216.781)	(430.554)

⁽¹⁾ Note 2.1.5.

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

EGELİ & CO GİRİŞİM SERMAYESİ YATIRIM ORTAKLIĞI A.Ş.
CONVENIENCE TRANSLATION INTO ENGLISH OF STATEMENT OF CHANGES
IN EQUITY FOR THE PERIOD 1 JANUARY - 31 DECEMBER 2014
ORIGINALLY ISSUED IN TURKISH
 (AMOUNTS EXPRESSED IN TURKISH LIRA ("TRY") UNLESS OTHERWISE INDICATED.)

Shareholder's equity (Audited) (Restated) (*)											
	Paid in Capital	Adjustment to share capital	Changes arising from capital increase	Securities increment valuation fund	The effect of asset mergers or businesses under common control	Share premiums	Actual losses	Restricted reserves	Retained earnings/ (losses)	Net (loss)/profit for the period	Total equity
Balances as of 1 January 2013	18.000.000	19.197.511	(67.383)	-	-	29.552	-	3.518.928	(2.123.410)	2.148.097	41.003.295
Capital increase	2.000.000	(2.000.000)	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	2.488.097	(2.488.097)	-
The effect of mergers of entities or business under common control	-	-	-	-	(310.731)	-	-	-	-	-	(310.731)
Total Comprehensive loss (-)	-	-	-	-	-	-	550	-	-	(576.108)	(575.558)
Balances as of 31 December 2013 (previously reported)	20.000.000	17.197.511	(67.383)	-	(310.731)	29.552	550	3.518.928	324.687	(576.108)	40.117.006
Changes in accounting policies (*)	-	-	-	-	310.731	-	-	-	-	145.004	455.735
Balances as of 31 December 2013 (restated)	20.000.000	17.197.511	(67.383)	-	-	29.552	550	3.518.928	324.687	(431.104)	40.572.741
Shareholder's equity (Audited)											
	Paid in Capital	Adjustment to share capital	Changes arising from capital increase	Securities increment valuation fund	The effect of asset mergers or businesses under common control	Share premiums	Actual losses	Restricted reserves	Retained earnings/ (losses)	Net (loss)/profit for the period	Total equity
Balances dated 1 January 2014 (previously reported)	20.000.000	17.197.511	(67.383)	-	(310.731)	29.552	550	3.518.928	324.687	(576.108)	40.117.006
Changes in accounting policies (*)	-	-	-	-	310.731	-	-	-	-	145.004	455.735
Balances dated 1 January 2014 (restated)	20.000.000	17.197.511	(67.383)	-	-	29.552	550	3.518.928	324.687	(431.104)	40.572.741
Transfers	-	-	-	-	-	-	-	85.327	(516.431)	431.104	-
Total comprehensive income	-	-	-	710.060	-	-	4.067	-	-	(7.930.908)	(7.216.781)
Balances dated 31 December 2014 (period end)	20.000.000	17.197.511	(67.383)	710.060	-	29.552	4.617	3.604.255	(191.744)	(7.930.908)	33.395.900

(*) Note: 2.1.5.

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

EGELİ & CO GİRİŞİM SERMAYESİ YATIRIM ORTAKLIĞI A.Ş.
CONVENIENCE TRANSLATION INTO ENGLISH OF STATEMENT OF CASH FLOWS
FOR THE PERIOD 1 JANUARY-31 DECEMBER 2014
ORIGINALLY ISSUED IN TURKISH
(AMOUNTS EXPRESSED IN TURKISH LIRA ("TRY") UNLESS OTHERWISE INDICATED.)

	(Audited) Current Period	Restated ⁽¹⁾ (Audited) Previous Period
Notes	31 December 2014	31 December 2013
A. Cash flows from operating activities:		
Loss for the period	(7.930.908)	(431.104)
Adjustments to reconcile net loss to net cash from operating activities:		
Adjustments related to depreciation and amortisation expense	9 3.650	841
Adjustment related interest income accruals	217	6.492
Adjustments related to provisions	8.815.800	(92.778)
Adjustments related to the fair value gains	15 (107.537)	659.198
Adjustments related to profits from sales of securities and associates	13 (917.223)	(3.192.958)
Adjustments related to discounts of other receivables	15 (1.464.526)	1.583.234
Operating profit before changes in operating assets and liabilities:		
Adjustments related to decrease/(increase) in other receivables and assets related to operations	(2.124.310)	505.705
Adjustments related decrease in other payables and liabilities related to operations	33.336	(6.178)
Adjustments related to trade payables (decrease)/increase	(436.417)	1.233.600
Cash inflows obtained from sale of debt instruments or other businesses' shares of the funds	22.376.062	9.138.394
Cash outflows obtained from acquisition of debt instruments or other businesses' shares of the funds	(18.825.000)	(30.867.933)
Dividend received	-	120.605
Cash flows from operating activities	(576.856)	(21.342.882)
B. Cash flows from investing activities:		
Cash outflows from purchases of property, plant and equipment (-)	9 (4.957)	(1.099)
Cash flows from investing activities(-):	(4.957)	(1.099)
C. Change in blocked deposits		
	(194.850)	-
Net decrease in cash and cash equivalents (A+B+C)	(776.663)	(21.343.981)
D. Cash and cash equivalents at beginning of year	3.366.706	24.710.687
Cash and cash equivalents at end of year (A+B+C)	6 2.590.043	3.366.706

⁽¹⁾ Note 2.1.5.

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

1-ORGANIZATION AND NATURE OF OPERATIONS

Egeli & Co Girişim Sermayesi Yatırım Ortaklığı A.Ş. ("the Company"), was incorporated and started its financial operations on 18 September 1998 in İstanbul under the name of Ak Yatırım Ortaklığı A.Ş.. Akbank, the main shareholder of the Company until the date of 3 July 2012, signed a letter of Intent to transfer a total of 12,607,326 Class A and Class B shares and started negotiations with Egeli & Co. Yatırım Holding A.Ş. As a result of the negotiations, on April 5, 2012 "Share Purchase Agreement" was signed and the share transfer was completed on the 3 July 2012 after taking the necessary legal permissions from the Capital Market Board and other authorities. The Company's transformation to Venture Capital Investment Trust was approved by the trade register on 31 December 2012. On 2 January 2013 the title of the company was declared as "Egeli & Co Girişim Sermayesi Yatırım Ortaklığı A.Ş."

The company aims to provide financial capital to high-potential, high risk, growth startup companies in accordance with Capital Markets Board ("CMB") regulations on venture capital investment trusts. The Company is a public joint stock partnership.

The Company carries out the following procedures and transactions:

- Invests in venture capital companies in line with the principles stated in CMB Communiqué Serial: III, No: 48.3 ;
- Participates in the management of venture capital companies and gives them consultancy services,
- Invests in capital market instruments and money market tools on secondary markets to diversify its portfolio; and
- Invests in overseas venture capital funds that seek to invest in venture capital companies located in Turkey.

The Company operates in one geographical segment (Turkey) and one industrial segment (to create a portfolio of venture capital) (Note 5).

The company's shares have been offered to public on May 1999 and Egeli & Co Yatırım Holding A.Ş. has 84,03% of the share of the total shares of the Company as of 31 December 2014 (31 December 2013: %91,68)

The Company is located in İstanbul, and the total number of personnel employed in the Company as of 31 December 2014 is 5 (31 December 2013: 2). The registered office address of the Company is as follows: Abdi İpekçi Caddesi, Azer İş Merkezi No: 40 Kat: 3 Daire:10 Harbiye Sisli-Istanbul, Turkey.

1-ORGANIZATION AND NATURE OF OPERATIONS (Continued)

The Company's long term investments marketable securities, subsidiaries and joint ventures, subject of operations basis, are as follows (Note:7)

Subsidiaries	Nature of business
Eurasia Enerji Yatırımları A.Ş. ("Eurasia")	Energy
General Trading System Ltd. ("GTS") ^(*)	Energy

^(*) GTS is the subsidiaries which Eurasia purchased entirely as explained in Note 7.

Joint ventures	Nature of business
Karesi Jeotermal Enerji Üretim İnşaat San. ve Tic. A.Ş. ("Karesi")	Energy

Marketable securities	Nature of business
Enda Enerji Holding A.Ş. ("Enda")	Energy

The financial statements as of 31 December 2014 have been approved by the Board of Directors on 2 March 2014. General Assembly and regulators has not power to amend the financial statements.

NOTE 2-BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

The main accounting policies applied in the preparation of the financial statements of the Company are as follows:

2.1 Basis of Presentation of Financial Statements

2.1.1 Financial reporting standards applied and compliance to IAS/TAS

The accompanying interim financial statements are prepared in accordance with the Communiqué Serial II, No:14.1, "Principles of Financial Reporting in Capital Markets" ("the Communiqué") published in the Official Gazette numbered 28676 on 13 June 2013. According to the article 5 of the Communiqué, interim financial statements are prepared in accordance with Turkish Accounting Standards/ Turkish Financial Reporting Standards ("TAS/TFRS") and its addendum and interpretations ("IFRIC") issued by Public Oversight Accounting and Auditing Standards Authority ("POAASA") Turkish Accounting Standards Boards.

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.1.1 Financial reporting standards applied and compliance to IAS/ TAS (Continued)

The Company's financial statements and notes, as described by the CMB with the announcement dated 7 June 2013 and in accordance with the format by including the mandatory information.

In accordance with the CMB's resolution issued on 17 March 2005, companies operating in Turkey which prepare their financial statements in accordance with the CMB Accounting Standards (including the application of TFRS) are not subject to inflation accounting effective from 1 January 2005. The Company's financial statements are prepared in accordance with this decision.

The Company, the accounting records and the statutory financial statements in preparing the CMB issued by the principles and conditions of the Turkish Commercial Code ("TCC"), tax legislation and the Ministry of Finance issued by the Uniform Chart of Accounts complies with the requirements. The financial statements have been prepared on the basis of historical cost, to the legal records for the purpose of fair presentation in accordance with IAS adjustments and reclassifications are reflected.

2.1.2 Offsetting

Financial assets and liabilities are offset, as is the net amount reported in the financial statements when there is a legally enforceable right to set-off the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

2.1.3 Going concern

Company's financial statements are prepared under the going concern assumption.

2.1.4 Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The financial statements are presented in TRY, which is the Company's functional and presentation currency.

NOTE 2-BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.1.5 Comparative information and restatement of prior period financial statements (Continued)

The financial statements of the Company include comparative financial information to enable the determination of the financial position and performance. The Company prepared its statement of current financial position in comparison with the statement of previous period financial position prepared. Where necessary, comparative figures have been reclassified to conform to changes in presentation in the current period.

Restatement of prior period financial statements

The reason for rearrangement

To be valid after the annual reporting period started on December 31, 2013, in accordance with communique, published in Official Gazette numbered 28932 and dated 5 March 2014 that updates TFRS 10 "Consolidated Financial Statements" communique about Turkish Accounting standards, the company management has identified that company meets the criteria of "investment business" in communique, Company has not started to prepare financial statement for Egeli Girişim ve EGC for the first the time starting from 1 January 2014 in this context, accounted as fair value through profit or loss and classified in financial assets. In the same communique context, since the subsidiary Karesi Jeotermal Enerji Üretim İnşaat San. that i accounted by equity method in the past is removed from scope, for the first time starting from 1 January 2014 removed from financial statements. The effects of changes in accounting policies has been corrected retroactively. Details of effect of these adjustments on financial statements dated 31 December 2013 and 1 January-31 December 2013 are as follows: (Note 7, Note 13):

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.1.5. Comparative information and restatement of prior period financial statements (Continued)

The restatement of financial statements as of 31 December 2013

	Previously reported	Change	Restated
Cash and cash equivalents	3.367.871	-	3.367.871
Financial Investments	2.009.431	-	2.009.431
Other receivables and current assets	24.286.866	-	24.286.866
Total current assets	29.664.168	-	29.664.168
Financial Investments	10.352.918	794.111	11.147.029
Other receivables	297.515	-	297.515
Investments in joint venture	338.376	(338.376)	-
Property and equipment	8.523	-	8.523
Total non-current assets	10.997.332	455.735	11.453.067
Total Assets	40.661.500	455.735	41.117.235
Trade payables	483.018	-	483.018
Short term provisions	22.597	-	22.597
Other current liabilities	34.168	-	34.168
Total short-term liabilities	539.783	-	539.783
Long-term provisions	4.711	-	4.711
Total long-term liabilities	4.711	-	4.711
Total liabilities	544.494	-	544.494
Share Capital	20.000.000	-	20.000.000
Adjustment to share capital	17.197.511	-	17.197.511
Costs arising from the capital increase	(67.383)	-	(67.383)
Share premiums	29.552	-	29.552
The effect of mergers of entities or businesses under common control	(310.731)	310.731	-
Actuarial gain	550	-	550
Restricted reserves	3.518.928	-	3.518.928
Retained earnings	324.687	-	324.687
Net loss for the period	(576.108)	145.004	(431.104)
Total shareholders' equity	40.117.006	455.735	40.572.741
Total liabilities and equity	40.661.500	455.735	41.117.235

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.1.5. Comparative information and restatement of prior period financial statements (Continued)

Comprehensive statements of income for the interim periods between 1 January-31 December 2013

	Previously reported	Change	Restated
Revenue	9.138.394	25.750.000	34.888.394
Cost of sales (-)	(9.195.436)	(22.500.000)	(31.695.436)
Gross profit	(57.042)	3.250.000	3.192.958
General administrative expenses (-)	(2.120.684)	-	(2.120.684)
Marketing expenses (-)	(463.494)	-	(463.494)
Other operating income	2.896.220	(1.666.766)	1.229.454
Other operating expense (-)	(830.784)	(1.438.230)	(2.269.014)
Financial expense (-)	(324)	-	(324)
Net loss for the period(-)	(576.108)	145.004	(431.104)

2.2 Changes in Turkish Accounting Standards

The Company adopted the standards, amendments and interpretations published by the POA and which are mandatory for the accounting periods beginning on or after 1 January 2014.

The new standards, amendments and interpretations which are effective for the financial statements as of 31 December 2014

- TAS 32 (amendment), "Financial instruments: Presentation", on offsetting financial assets and financial liabilities, is effective for annual periods beginning on or after 1 January 2014. The amendment updates the application guidance in TAS/IAS 32, 'Financial instruments: Presentation', to clarify some of the requirements for offsetting financial assets and financial liabilities on the balance sheets.

2. BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS (Continued)

2.2 Changes in Turkish Accounting Standards (Continued)

- TAS 36 (amendments), "Impairment of assets" on recoverable amount disclosures is effective for annual periods beginning on or after 1 January 2014. This amendment addresses the disclosure of information about the recoverable amount of impaired assets if that amount is based on fair value less costs of disposal.
- Amendment to TAS 39 'Financial instruments: Recognition and measurement, on novation of derivatives and hedge accounting, effective from annual periods beginning on or after 1 January 2014. These narrow-scope amendments allow hedge accounting to continue in a situation where a derivative, which has been designated as a hedging instrument, is novated to effect clearing with a central counterparty as a result of laws or regulation, if specific conditions are met.
- TFRIC 21 – TAS 37, "Levies" is effective for annual periods beginning on or after 1 January 2014. This is an interpretation of TAS 37, 'Provisions, contingent liabilities and contingent assets'. TAS 37 sets out criteria for the recognition of a liability, one of which is the requirement for the entity to have a present obligation as a result of a past event (known as an obligating event). The interpretation clarifies that the obligating event that gives rise to a liability to pay a levy is the activity described in the relevant legislation that triggers the payment of the levy.
- Amendments to TFRS 10, 'Consolidated financial statements', TFRS 12 and TAS 27 for investment entities, effective from annual periods beginning on or after 1 January 2014. These amendments mean that many funds and similar entities will be exempt from consolidating most of their subsidiaries. Instead, they will measure them at fair value through profit or loss. The amendments give an exception to entities that meet an 'investment entity' definition and which display particular characteristics. Changes have also been made TFRS 12 to introduce disclosures that an investment entity needs to make.

2. BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS (Continued)

2.2 Changes in Turkish Accounting Standards (Continued)

New IFRS standards, amendments and TFRICs effective after 1 January 2015:

- Annual improvements 2012; effective from annual periods beginning on or after 1 July 2014. These amendments include changes from the 2010-12 cycle of the annual improvements project, that affect 7 standards:
 - TFRS 2, 'Share-based payment'
 - TFRS 3, 'Business Combinations'
 - TFRS 8, 'Operating segments'
 - TFRS 13, 'Fair value measurement'
 - TAS 16, 'Property, plant and equipment' and TAS 38, 'Intangible assets'
 - Consequential amendments to TFRS 9, 'Financial instruments', TAS 37, 'Provisions, contingent liabilities and contingent assets', and
 - TAS 39, Financial instruments – Recognition and measurement'
- Annual improvements 2013; effective from annual periods beginning on or after 1 July 2014. These amendments include changes from the 2011-12-13 cycle of the annual improvements project, that affect 4 standards:
 - TFRS 1, 'First time adoption'
 - TFRS 3, 'Business combinations'
 - TFRS 13, 'Fair value measurement' and
 - TAS 40, 'Investment property'.
- Amendment to IFRS 11, 'Joint arrangements' on acquisition of an interest in a joint operation, effective from annual periods beginning on or after 1 January 2016. This amendment adds new guidance on how to account for the acquisition of an interest in a joint operation that constitutes a business. The amendments specify the appropriate accounting treatment for such acquisitions.
- TFRS 9 'Financial instruments', effective from annual periods beginning on or after 1 January 2018. This standard replaces the guidance in IAS 39. It includes requirements on the classification and measurement of financial assets and liabilities; it also includes an expected credit losses model that replaces the current incurred loss impairment model.

2. BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS (Continued)

2.2 Changes in Turkish Accounting Standards (Continued)

- Amendment to TAS 16, 'Property, plant and equipment' and TAS 38, 'Intangible assets', on depreciation and amortisation, effective from annual periods beginning on or after 1 January 2016. In this amendment the it has clarified that the use of revenue based methods to calculate the depreciation of an asset is not appropriate because revenue generated by an activity that includes the use of an asset generally reflects factors other than the consumption of the economic benefits embodied in the asset. It is also clarified that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset.
- Amendment to TAS 19 regarding defined benefit plans, effective from annual periods beginning on or after 1 July 2014. These narrow scope amendments apply to contributions from employees or third parties to defined benefit plans. The objective of the amendments is to simplify the accounting for contributions that are independent of the number of years of employee service, for example, employee contributions that are calculated according to a fixed percentage of salary.
- Annual improvements 2014, effective from annual periods beginning on or after 1 January 2016. These set of amendments impacts 4 standards:
 - TFRS 5, 'Non-current assets held for sale and discontinued operations' regarding methods of disposal.
 - TFRS 7, 'Financial instruments: Disclosures', (with consequential amendments to TFRS 1) regarding servicing contracts.
 - TAS 19, 'Employee benefits' regarding discount rates.
 - TAS 34, 'Interim financial reporting' regarding disclosure of information.

The company will apply improvements after evaluating the effects of these improvements on operations. These standarts and interpretations above is not expected to create a significant impact on company'sfinancial statements.

2. BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS (Continued)

2.3 Restatement and the Errors in the Accounting Estimates

The effect of changes in accounting estimates affecting the current period is recognized in the current period; the effect of changes in accounting estimates affecting current and future periods is recognized in the current and future periods. The accounting estimates used in the preparation of these consolidated financial statements for the period ended 1 January-31 December 2014 are consistent with those used in the preparation of financial statements.

Material changes in accounting policies or material errors are corrected, retrospectively by restating the prior period consolidated financial statements.

2.4 Summary of Significant Accounting Policies

The significant accounting policies followed in the preparation of financial statements are summarized below:

Subsidiary and joint ventures

A subsidiary is a company in which Egeli & Co Yatırım Holding A.Ş. has the power to control the financial and operating policies for the benefit of Egeli & Co Yatırım Holding A.Ş., either through the power to exercise more than 50% of voting rights relating to shares in the companies as a result of ownership interest owned directly and indirectly by itself, and/or as a result of agreements by certain related parties.

Joint venture is a company in respect of which there are contractual arrangements through which an economic activity is undertaken subject to joint control by Egeli & Co Yatırım Holding A.Ş. and one or more other parties. Egeli & Co Yatırım Holding A.Ş. exercises such joint control through the power to exercise voting rights relating to shares in the companies as a result of ownership interest directly and indirectly by itself and/or as a result of written agreements by certain related parties' members and owned by them, whereby Egeli & Co Yatırım Holding A.Ş. exercises control over the voting rights of the shares held by them.

To be valid after the annual reporting period started on 31 December 2013, in accordance with communique, published in Official Gazette numbered 28932 on Marc 5, 2014 that updates IFRS 10 "Consolidated Financial Statements" communicates about Turkish Accounting standards, since the company management has identified that company meets the criteria of "investment business" in communique, Company has not started to prepare consolidated financial statement for Egeli Girişim ve EGC for the first time, accounted as fair value through profit or loss and classified in financial assets.

NOTE 2-BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.4 Summary of Significant Accounting Policies (Continued)

In this context, starting from 1 January 2014, the Company has accounted Karesi, the joint venture of the Company, at fair value through profit or loss and restated its financial statements retrospectively. Since, joint venture had not become functioning and established in a period closed to reporting time, the business partnership cost has been assumed that the cost approached to its fair value and carried at initial cost to financial statements as of 31 December 2014. (Note 7)

Revenue/cost of sales and operating income/expenses

Income and expenses are accounted for on an accruals basis. The Company recognizes the financial asset sales income when the sales charged, and the dividend income on the date of distribution. Discount income/expenses is recorded as income/expense as of the date of the valuation.

Interest income/expenses and commission expenses are recognized on an accrual basis. Interest income includes assurance accretions of interest rate related to money market transactions and reverse repurchase agreements (Notes 13 and 15).

Property and equipment

Property and equipment are carried at cost less accumulated depreciation. Depreciation is provided on restated amounts of property and equipment using the straight-line method based on the useful lives of such assets. The useful lives of tangible fixed assets ranged from 3 to 5 years (Note 9).

Financial instruments

Financial assets

The Company classifies its financial assets in the following categories: "at fair value through profit or loss", "held until maturity", and "available for sale".

Regular purchases and sales of financial assets are recognised on the "trade date", the date on which the Company commits to purchase or sell the asset.

The classification of financial assets designated by the Company's management "market risk policies" in line by considering the purpose of purchasing management is determined at the time they were acquired.

NOTE 2-BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.4 Summary of Significant Accounting Policies (Continued)

Financial instruments (Continued)

Financial assets at fair value through profit or loss

Financial assets, which are classified as “fair value through profit or loss”, are trading financial assets and are either acquired for generating profit from short term fluctuations in the price or dealer’s margin, or are the financial assets included in a portfolio in which a pattern of short term profit making exists independently from the acquisition purpose.

Fair values are used for the purpose of registering financial assets whose fair value differential is reflected in the profit and loss, and they are appreciated with their fair values in the periods following their registration. Profits and losses resulting from the appraisal performed are included in the profit and loss accounts. Profits and losses obtained from trading marketable securities in the tradebook are included in “Profit and loss of trading marketable securities” in the real operating revenue account of the income statement. Interest and interest coupon revenues obtained from the marketable securities in the tradebook as well as the amounts resulting from unrealized appreciation and depreciation of their fair values were included in the “Other real operating revenue/(expenses)” account in the statement of profit and loss.

Stock exchange securities classified as financial assets whose fair value differential is reflected in the profit and loss were appreciated over “the best outstanding buying exchange price” at Borsa İstanbul A.Ş. (“BIST”) on the balance sheet date. Sales costs of the aforementioned financial assets are calculated using the weighted average cost method. In the case that the prices forming the basis of fair value for the financial assets whose fair value differential representing the ownership interest is reflected in the profit and loss are not applicable in the active market conditions, the purchasing cost of the aforementioned financial assets is transferred to the statement of financial position over the cost value by assuming that the purchasing cost of the aforementioned financial assets draws on the fair value of the acquired shares for situations when fair value cannot be measured safely for reasons such as a purchasing date close to the reporting date or inability to commence operations.

All regular way purchases and sales of trading securities are recognized at the “settlement date”, which is the date that the asset is delivered to/from the Company. (Note 7)

NOTE 2-BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.4 Summary of Significant Accounting Policies (Continued)

Financial instruments (Continued)

Financial assets available for sale

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories.

Available-for-sale financial assets are subsequently carried at fair value. In case that the fair value price is not formed in active market conditions it is accepted that the fair value of the asset has not been determined reliably and the discounted value which was calculated with the effective interest rate is taken into account as fair value. In the case that the prices forming the basis of fair value for the available-for-sale financial assets are not applicable in the active market conditions, the purchasing cost of the aforementioned financial assets are transferred to the statement of financial position over the cost value by assuming that the purchasing cost of the aforementioned financial assets draws on the fair value of the acquired shares for situations when the purchasing date is close to the reporting date.

Changes in the fair value of securities classified as available-for-sale are recognised in other comprehensive income. When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments recognised in equity are included in the income statement as 'Changes in the fair value of available-for-sale financial investments'.

When these securities are disposed of or impaired, the fair value differences accumulated in the shareholders' equity are transferred to the profit or loss statement (Note 7).

The fair value of these assets in the event of detection of a non-temporary impairment, such impairment losses are recognized in the profit or loss of effect (Note 6).

Loans and receivables

Loans and trade and other receivables that are not quoted with fixed or determinable payments are classified in this category. Borrowings and receivables are presented using the effective interest method with their discounted cost value after deducting the impairment. (Note 8)

NOTE 2-BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.4 Summary of Significant Accounting Policies (Continued)

Financial instruments (Continued)

Impairment of financial assets

Financial assets except trading financial assets are evaluated each period to determine whether they have indicators of impairment. The financial instruments are accepted as impaired in case that the expected collectable amount calculated by discounting of expected future cash flows by an effective interest rate or the amount accounted in accordance with the fair value of the instrument are lower than the book value of the instrument. The financial instruments are accepted as impaired in case that the expected collectable amount calculated by discounting of expected future cash flows by an effective interest rate or the amount accounted in accordance with the fair value of the instrument are lower than the book value of the instrument.

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 Available for sale equity instruments, 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 the impairment not been recognized.

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts and highly liquid reverse repurchase and other short-term investments which do not have the risk of significant value change (Note 6).

NOTE 2-BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.4 Summary of Significant Accounting Policies (Continued)

Financial instruments (Continued)

Financial liabilities

Financial liabilities and equity instruments issued by the Company 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 Company 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 fair value through profit or loss or other financial liabilities.

The Company have no financial liabilities as either at fair value through profit or loss.

Earnings per share

Earnings per share disclosed in the accompanying statement of income are determined by dividing net income by the weighted average number of shares in existence during the year concerned.

In Turkey, companies can increase their share capital by making a pro-rata distribution of shares ("bonus shares") to existing shareholders from retained earnings. For the purpose of earnings per share computations, the weighted average number of shares outstanding during the year has been adjusted in respect of bonus shares issued without a corresponding change in resources by giving them a retroactive effect for the year in which they were issued and for each earlier period. (Note 18).

Subsequent events

Subsequent events cover any events which arise between the reporting date and the balance sheet date, even if they occurred after any declaration of the net profit for the period or specific financial information publicly disclosed.

The Company adjusts its financial statements if such subsequent events arise which require an adjustment to the financial statements (Note 20).

NOTE 2-BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.4 Summary of Significant Accounting Policies (Continued)

Provisions, contingent assets and liabilities

Provision are recognized when the Company has a present obligation as a result of a past event, and it is probable that the Company will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into accounts the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party; receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of receivable can be measured reliably.

The liabilities and assets arising from previous events which can be confirmed with the realization of one or more uncertain events whose presence is beyond full control of the enterprise are not included in the financial statements and they are regarded as contingent liabilities and assets (Notes 10 and 11).

Taxes on income

According to the current tax law, the company's corporate tax rate is %0 (31 December 2013: %0).Corporate income taxes are described in Note 16.

Employee benefits/provisions for employee termination benefits

The Company accounts liabilities related to severance pay, vacation rights and other benefits for employees according to the clause "Employee Benefits" ("TAS 19") and classifies them as "Provisions for Employee Benefits" at the balance sheet.

Employee termination benefits, as required by the Turkish Labour Law, are recognized in these financial statements as they are earned. The total provision represents the present value of the future probable obligation of the Company arising from the retirement of its employees regarding the actuarial projections.

Provision for employment termination is the discounted amount of the calculated value within the case of retirement of employees of the Company's estimated future liability that will occur within the framework of the Turkish Labour Law (Note 11).

NOTE 2-BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.4 Summary of Significant Accounting Policies (Continued)

Statement 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 generated from petroleum products sales of the Company.

Cash flows from investment activities express cash used in investment activities (direct investments and financial investments) and cash flows generated from investment activities of the Company.

Cash flows relating to finance activities express sources of financial activities and payment schedules of the Company. (Note 6)

Capital and dividends

Share capital is recognized at the nominal amount and amounts received in excess of the part value are recognized in a share premium account. Incremental costs directly attributable to the issue of new shares or options or to the acquisition of a business are shown in equity as a deduction.

Portfolio limitation, financial debt and total expense limit adaptation control

The information presented under the additional note and derived according to the Principles of Financial Reporting in Capital Markets communique are brief informations that has been prepared in accordance with Invests in venture capital companies in line with the principles stated in CMB Communiqué.

NOTE 2-BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

2.5 Critical Accounting Estimates and Judgements

Preparation of financial statements requires balance sheet assets and liabilities as of the date reported or described in the relevant period, and the amounts of contingent assets and liabilities consists of estimates and assumptions that affect the reported amounts of revenues and expenses. These estimates are based on management's best knowledge of current circumstances, and actual results may differ from those estimates.

Determining of the fair value of the subsidiary, joint venture and other financial investments accounted as fair value through profit or loss

Regarding the company's investment in its subsidiary Eurasia, which was established with 100% participation with the 17 June 2014 decision of the board of directors, was registered on 26 June 2014, and whose shares are not listed in the stock market, since the subsidiary had not yet started operating, and the subsidiary was acquired on a date close to the reporting period, it was assumed that the acquisition cost approximated the fair value of the purchased shares in the subsidiary as of 31 December 2014, and this cost was transferred from the cost value in the Eurasia financial statement.

Regarding the investment in the subsidiary Karesi, whose shares are not listed in the stock market, since the subsidiary had not yet started operating, and the subsidiary was acquired on a date close to the reporting period, it was assumed that the acquisition cost approximated the fair value of the purchased shares as of 31 December 2014 and 31 December 2013, and this cost was transferred from the cost value in the Karesi financial statement.

Since shares of Enda which is classified as available-for-sale financial assets is not traded at the exchange, all shares of Enda has been recognized in the financial statements as of 31 December 2014 by evaluating from the purchase price.

The fair value of financial assets which are traded in the stock market and recorded at the fair value is considered to be equal to the market price in ISE at the reporting date. (Note:7)

3. BUSINESS COMBINATION

None (31 December 2013: None).

4. INTERESTS IN OTHER ENTITIES

Explained in Note 7.

5. SEGMENT REPORTING

As described in Note 1, since the Company operates in one geographical segment (Turkey) and one industrial segment (to create a portfolio of venture capital) there is not segment reporting for the financial statements for the year ended as at 31 December 2014. As a result of the Company's future investments and investments to be activated segment reporting will be made in the future.

6. CASH AND CASH EQUIVALENTS

	31 December 2014	31 December 2013
Time deposits at banks	2.785.545	3.364.251
Demand deposits at banks	296	3.620
	2.785.841	3.367.871

As of 31 December 2014, TRY 194,850 portion of deposits are blocked for letters of guarantee issued in favor of governmental agencies. (31 December 2013:None)

As of 31 December 2014, maturity of time deposits which are all in TRY is 2-16 January 2015 (31 December 2013: 1 January - 7 January 2014) and the interest rate is between %5,25-%8,25 (as at 31 December 2013: 7,25-%7,50). As of 31 December 2014, interest accrual at the amount of 948 TRY (31 December 2013: TRY 1.165) is shown in the cash flow statement by deducting from cash and cash equivalents.

For the purpose of regulating cash flow statements, details of cash and cash equivalents' breakdown is as follows:

	31 December 2014	31 December 2013
Time deposits at banks	2.785.545	3.364.251
Demand deposits at banks	296	3.620
Minus-Interest accrual (-)	(948)	(1.165)
Minus-Compensatory balance (-)	(194.850)	-
	2.590.043	3.366.706

7-FINANCIAL INVESTMENTS

Short term financial investments

	31 December 2014	31 December 2013
Financial assets held for trading		
Quotated share certificates^(*)		
Related party share certificates (Note 17)	1.554.265	2.009.431
Other shares	830.000	-
	2.384.265	2.009.431

(*) All of the share certificates are belong to related parties and are traded on Borsa İstanbul.

Long term financial assets

Type/Company name	31 December 2014		31 December 2013	
	Amount (TRY)	Share (%)	Amount (TRY)	Share (%)
Unquoted investments				
Subsidiary				
Eurasia ⁽¹⁾	17.100.000	100,00	-	-
Joint ventures				
Karesi ⁽²⁾	794.111	50,00	794.111	50,00
Available for sale (Long term securities)				
Enda ⁽³⁾	8.464.480	5,34	7.352.918	5,34
Advance payments of capital and preemption EGC Elektrik Enerji Üretim Sanayi ve Ticaret A.Ş. ⁽⁴⁾				
	-	-	3.000.000	-
	26.358.591		11.147.029	

7-FINANCIAL INVESTMENTS (Continued)

⁽¹⁾ Pursuant to the principles stated in the Communiqué on Amendment to the Communiqués on Accounting Standards in Turkey (Rank No.: 13) promulgated in the Official Gazette dated 5 March 2014 with issue number 28932 making amendment to the TFRS 10, "Consolidated Financial Statements" standard with regards to the investment enterprises, as the Company management determined that the Company complies with the "investment enterprise" criteria defined in the aforementioned communiqué, the investment of the Company in Eurasia-the subsidiary which was established as a wholly-owned subsidiary whose shares are not publicly traded based on the Board Decision dated 17 June 2014 and registered on 26 June 2014-was recognized as a financial asset whose fair value differential is reflected in the profit and loss and classified under long-term financial investments. Regarding the cost of the Company's investment in Eurasia, the subsidiary of the Company, as fair value could not be measured reliably because the subsidiary has not commenced its operations and the acquisition of the subsidiary was close to the reporting period, it was assumed that the shares in the subsidiary drew on the fair value on 31 December 2014 and Eurasia was transferred to the statement of financial position over the cost value. Eurasia was established to engage in leasing of fixed and/or mobile power plants in the national and international markets. It was reported to the Company on 25 September 2014 that Eurasia acquired all of GTS, having invested in the leasing of a mobile power plant for USD 8,000,000, that the transfer registration procedures were completed and that a non-exclusive brokerage contract was signed with Biovizyon Enerji Gıda San. ve Dış Tic. Ltd. Şti. on leasing in the international market of two 25 MW Pratt&Whitney mobile energy turbines to be included in GTS' leaseable fixed and mobile energy turbine portfolio. Mobile gas turbines to be included in the portfolio are leased by the relevant institutions so as to provide the energy required by long-term projects in the fields where power transmission systems are insufficient and/or to meet the requirement after natural disasters (Note 2.5).

⁽²⁾ The Company purchased %50 of the shares of Karesi held by Egeli & Co Yatırım Holding A.Ş., corresponding to 480,000 shares with a nominal value per share of TRY 1 and for the price of TRY 794.111 on the date of 20 February 2013. Karesi was established to engage in activities relating to geothermal energy production and has ceased to be operational as of 31 December 2014. In accordance with the principles stated in the Communiqué on Amending Communiqués Regarding Turkish Accounting Standards (Serial Number: 13) published in the Official Gazette dated 5 March 2014 and numbered 28932, which introduced amendments to investment transactions carried out within the scope of the TFRS 10, "Consolidated Financial Statements" standards, the Company management has established that within the context of annual reporting periods starting as of 31 December 2013, the company meets the criteria regarding "investment enterprises" as defined under the said communiqué; therefore, while previously having been recorded by the Company by means of applying the equity method, as of 1 January 2014, the joint venture of Karesi has been recorded as a financial asset with the fair value difference being projected upon gains or losses and has accordingly been reset below financial investments. Since the said joint venture investment, subsisting of shares which are not traded in the stock exchange, has not yet become operational in its activities and the purchase of the joint venture took place around the timing of the reporting periods, it has been assumed that the costs relating said purchase approximate the fair value of the acquired shares as of 31 December 2014 and 31 December 2013 and accordingly stated as the cost value under the financial statement of joint venture. The effects of the change in the aforementioned accounting policy has been retrospectively restated (Note 2.1.5. and 17).

⁽³⁾ Within the scope of venture capital portfolio generation activities, the company purchased shares of Enda Enerji Holding A.Ş. amounting to TRY 7.754.420 on different dates between 17 January 2013 and 31 December 2014. TRY 2.386.487 of said purchases were acquired from EGC Elektrik Enerji Üretim Sanayi ve Ticaret A.Ş. ("EGC" or "EGC Elektrik") through transfer. EGC, which is one of the transferring parties, is a subsidiary of Egeli & Co Yatırım Holding A.Ş. which is the major shareholder of the company (Note 17). Since the Enda shares, which are classified as available-for-sale financial assets, are not listed in the stock market, all of the Enda shares owned by the company were valued considering the last purchase price as of 31 December 2014 and reflected in the financial statements. Within this scope, unrealised fair value revenues amounting to TRY 710.060, generated as a result of the valuation of company shares, are recognised in the "Accumulated revaluation gains of available-for-sale financial assets" account under equities as of 31 December 2014. Karesi's unaudited financial statements which prepared according to the tax legislation of share of the Company is TRY 85.639 dated 31 December 2014.(Note 2.5 and 17).

⁽⁴⁾ In accordance with the decision taken by the company's board of directors on 8 April 2013, it was unanimously decided that a pre-purchase agreement should be signed regarding the purchase of 400,000 EGC shares with a nominal value of 1.00TRY, which constitute all of the EGC shares and which are owned by Egeli & Co Yatırım Holding A.Ş., for TRY 7.500.000 on the basis of the independent valuation report dated 29 March 2013; the share transfers should be made after EGC receives its production licence from the Energy Market Regulatory Authority; TRY 3.000.000 should be paid in advance and the balance of TRY 4.500.000 should be paid after the share transfers, and; if the sales transaction cannot be finalised the amount of the advance payment, including all the legal interest, should be reimbursed. The pre-purchase agreement regarding the transfer of EGC shares was terminated on 6 February 2014 as a result of mutual reconciliation with Egeli & Co Yatırım Holding A.Ş., and it was agreed that Egeli & Co Yatırım Holding A.Ş. should repay the TRY 3.000.000, including its legal interest, which was the advance payment made for the purchase of the shares. TRY 3.302.639 has been collected from Egeli & Co Yatırım Holding A.Ş., which includes and legal interest. (Note 17).

8-OTHER RECEIVABLES, OTHER CURRENT ASSETS AND OTHER SHORT TERM LIABILITIES

Other receivables	31 December 2014	31 December 2013
Receivables from sale of subsidiaries	750.000	25.750.000
<i>JKS Enerji Güç Sistemleri Tic. ve San. A.Ş. share sales ^(*)</i>	750.000	-
<i>KRC Gayrimenkul Yatırım Ltd. Şti. share sales ^(**)</i>	-	25.750.000
Other Doubtful Receivables ^(**)	8.748.880	-
Provision for doubtful receivables (-)	(8.748.880)	-
Discount of receivables arising from sales of subsidiary (-) ^(**)	-	(1.583.234)
Other ^(***)	108.846	3.627
	858.846	24.170.393

^(*) In the extent of, creating a venture capital portfolio, the company has become partners of JKS which has TRY 200.000 issued capital at the amount of 50% by paying TRY 750.000 (with TRY 200.000 share premium) In the extent of the decision of Board of Directors numbered 80 on 26 December 2014, company sells shares of JKS to Andaç Tulgarlar and Eber Samat at the amount of TRY 750.000. The amount is decided to ve collected in 5 installments.

^(**) With the decision taken on Egele Girişim Board of Directors meeting on 29 April 2013, which is one of the subsidiaries of the Company, has decided to contribute to the capital increase of KRC Gayrimenkul Yatırım Ltd. Şti., engaged in investment and development activities in urban hotel management, by TRY 10.000.000, and become a shareholder, as well as to sign a Share Purchase and Shareholders Agreement with Kenan Onak and Ayten Onak. In addition to this decision, with the decision taken by Egele Girişim Board of Directors on 9 May 2013, it is decided that; an additional TRY 12.500.000 should be paid in order to increase the shareholders share to 36% and in total, TRY 22.500.000 of contribution should be made to the capital increase. In accordance with the decision taken at the Board of Directors meeting held on 3 December 2013, Sale of shares owned at KRC Gayrimenkul Yatırım A.Ş.to Kenan Onak and Ayten Onat worth to TRY 25.750.000 was bonded by a contract signed on 3 December 2013. Receivable arising from mentioned sale has been discounted with %9.47 by considering the instalment dates and reflected to financial statements amounting to TRY 1.583.234 as of 31 December 2013. (Note 17)

^(***) As of 31 December 2014, 100.474 TRY portion of other receivables consist of receivables from JKS. (2013:None)

8-OTHER RECEIVABLES, OTHER CURRENT ASSETS AND OTHER SHORT TERM LIABILITIES (Continued)

Other short term assets	31 December 2014	31 December 2013
Paid withholding taxes and other taxes	43.855	112.095
Work advances	37.442	-
Pre-paid expenses	13.902	4.378
Other	1.654	-
	96.853	116.473

Other long-term liabilities	31 December 2014	31 December 2013
Receivables from joint ventures	1.184.708	297.515
Other long-term receivables discounts (-) ^(****)	(118.708)	-
Other long-term liabilities, net (Note 17)	1.066.000	297.515

^(****)The long-term receivables of company from related parties consists of subsidiaries and partnerships and reflected to financial statements by deducting TRY 118.708 which is discounting amount calculated by using 10.02% as of 31 December 2014.

Other short term liabilities	31 December 2014	31 December 2013
Taxes, fees and other deductions	67.504	34.168
	67.504	34.168

9-PROPERTY AND EQUIPMENT

	1 January 2014	Additions	Disposals	31 December 2014
Cost	61.749	4.957	-	66.706
Accumulated depreciation	(53.226)	(3.650)	-	(56.876)
Net book value	8.523	1.307	-	9.830
	1 January 2013	Additions	Disposals	31 December 2013
Cost	60.650	1.099	-	61.749
Accumulated depreciation	(52.385)	(841)	-	(53.226)
Net book value	8.265	258	-	8.523

10-CONTINGENT ASSETS AND LIABILITIES

	31 December 2014	31 December 2013
Blocked deposits (Note: 6)	194.850	-
	194.850	-

11. SHORT-TERM AND LONG-TERM PROVISIONS

	31 December 2014	31 December 2013
<u>Short-term provisions</u>		
Portfolio management fee provision (Note 17)	76.386	22.597
	76.386	22.597

	31 December 2014	31 December 2013
<u>Short-term employee benefits provision</u>		
Provision for unused vacation	799	-
	799	-

	31 December 2014	31 December 2013
<u>Long term employee benefits provision</u>		
Provision for employment termination benefits	12.976	4.711
	12.976	4.711

Provision for employee termination benefit is calculated as explained below:

Under Turkish Labour Law, the Company 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), or reaches the retirement age (58 for women and 60 for men).

11. SHORT-TERM AND LONG-TERM PROVISIONS

The amount payable consists of one month's salary limited to a maximum of TRY 3.438,22 (31 December 2013: TRY 3.254,44) for each period of service as of 31 December 2014. 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 the retirement of employees. TFRS 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 December 2014	31 December 2013
Discount rate (%)	3,79	3,98
Turnover rate to estimate the probability of retirement(%)	100,00	100,00

Additionally, the principal 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. Since maximum termination benefits of company is calculated once a year, it is calculated by using TRY 3.541,37 which is effective from 1 January 2014 (1 January 2014: 3.438,22 TRY)

As of 31 December 2014 and 2013, movements in the reserve for employment termination benefits during the current year are as follows:

Long term employee benefits provision

	2014	2013
Opening balance-1 January	4.711	1.740
Service cost	9.533	3.197
Interest cost ^(*)	2.799	324
Actuarial gain (-) ^(**)	(4.067)	(550)
Period End-31 December	12.976	4.711

^(*) Interest cost is accounted in financial expenses.

^(**) Actuarial loss for the period ended 31 December 2014, has been recognised in the "Other income and expenses which cannot be re-classified regarding profits and losses" account" in equity capital, including tax effects.

12. CAPITAL, RESERVES AND OTHER EQUITY ITEMS

The Company's paid-in capital TRY 20.000.000 (31 December 2013: TRY 20.000.000) has been divided number of shares 2.000.000.000 (31 December 2013: TRY2.000.000.000) to give each share a nominal value of TRY 0.01. The company is in an authorized capital subject system, the amount of authorized capital being TRY 300.000.000. As the parent company, the Company owns TRY 25.000.000 privileged shares registered in the name of shareholders with the nominal value of TRY 0,01, all of which belong to Egeli & Co Finansal Yatırımlar A.Ş. as of the date when these financial statements were prepared. In the election of members of the Board of Directors, all of these members are elected from among the members nominated by shareholders.

Net book value of issued and paid capital as of 31 December 2014 and 2013 as below:

	31 December		31 December	
	Share	2014	Share	2013
	(%)	TRY	(%)	TRY
Egeli & Co Yatırım Holding A.Ş.	84,03	16.806.499	91,68	18.336.499
Publicly held	15,97	3.193.501	8,32	1.663.501
	100,00	20.000.000	100,00	20.000.000

Between 1 January-31 December 2014, 7.65% of shares at the nominal value of TRY 1.530.000 were sold the amount of TRY 4.296.367 by Egeli & Co Yatırım Holding A.Ş.

Reserves, retained earnings:

	31 December 2014	31 December 2013
Restricted reserves	3.604.255	3.518.928
Retained earnings/(losses)	(191.744)	324.687
Total	3.412.511	3.843.615

Retained earnings in the statutory books can be distributed except for reserves related the provisions of the legal reserves.

12. CAPITAL, RESERVES AND OTHER EQUITY ITEMS (Continued)

In accordance with the CMB regulations effective until 01 January 2008, the inflation adjustment differences arising at the initial application of inflation accounting which are recorded under "Accumulated losses" could be netted off from the profit to be distributed based on CMB profit distribution regulations. In addition, the aforementioned amount recorded under "accumulated losses" could be netted off with net income for the period, if any, undistributed prior period profits, and inflation adjustment differences of extraordinary reserves, legal reserves and capital, respectively.

However, the application that is valid until 01 January 2008, corrected for the inflation in accordance with the regulation of the financial statements as a result of the first equity "capital, share premium, legal reserves, statutory reserves, special reserves and extraordinary reserves," presented at their historical amounts of these items are given and the corrected values in such accounts' equity inflation adjustment differences" account. For all equity accounts "equity inflation adjustment differences" could be used free of charge for share capital increase, the extraordinary values, free capital increase, cash dividend distribution or to offset losses.

The legal reserves consist of first and second reserves, appropriated in accordance with the Turkish Commercial Code ("TCC"). The TCC 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 Company's paid-in share capital. The second legal reserve is appropriated at the rate of at least 10% of distributions in excess of 5% of issued and fully paid-in share capital, without limit. Under the TCC, the legal reserves can only be used to offset losses and are not available for any other usage unless they exceed 50% of paid-in share capital.

In accordance with the Communiqué Serial: XI, No. 29 which became effective as of 01 January 2008 and according to the CMB's announcements clarifying the said Communiqué, "Share capital", "Restricted reserves allocated from profit" and "Share premiums" need to be recognized over the amounts contained in the legal records. The valuation differences (such as inflation adjustment differences) shall be disclosed as follows:

- If the difference is arising from the valuation of "Paid-in capital" and has not yet been transferred to capital, it should be classified under the "Inflation adjustment to share capital";
- If the difference is arising from valuation of "Restricted reserves" and "Share premium" and the amount has not been subject to dividend distribution or capital increase, it shall be classified under "Retained earnings".

Other equity items shall be carried at the amounts calculated based on CMB Financial Reporting Standards.

Capital adjustment differences have no other use other than being transferred to share capital.

12. CAPITAL, RESERVES AND OTHER EQUITY ITEMS (Continued)

Dividend Distribution

Public limited companies distribute dividends due form of Capital Markets Board of Turkey as follows:

Dividend distributions for public companies are made according to CMB's dividend notification II-19.1 which is became valid as of 1 February 2014.

Partnerships distributes profit in accordance with frofit distribution policy determined by General Assembly and relevant legislation. In the extent of mentioned declaration there 's not any minimum distribution rate determined. Companies distributes profit in accordance their profit distribution policy or principles of contract. In addition, dividens can be paid by equal amounted installments or different amounted installments and cash dividend advances can be distributed from profit on interim financial statements.

13. REVENUE AND COST OF SALES

	1 January- 31 December 2014	1 January- 31 December 2013
Revenue:		
Stock sales revenue	1.322.303	1.009.120
Participation sales	750.000	25.750.000
Treasury bills and government bonds sales revenue	-	8.129.274
Revenue	2.072.303	34.888.394
Cost of good sold:		
Cost of stock sales(-)	(707.719)	(1.009.000)
Cost of participation sales (-)	(750.000)	(22.500.000)
Cost of treasury bills and government bonds sales (-)	-	(8.186.436)
Cost of good sold (-)	(1.457.719)	(31.695.436)
Gross Porift	614.584	3.192.958

14. GENERAL ADMINISTRATIVE EXPENSES, MARKETING EXPENSES

a) General administrative expenses

	1 January- 31 December 2014	1 January- 31 December 2013
Portfolio management expense	837.113	810.140
Personnel expenses	614.589	407.401
Audit and other consultancy expense	207.068	408.215
Taxes and duty expenses	63.149	73.180
Rent expenses	39.592	39.444
Insurance expenses	12.143	22.030
IT support expenses	7.897	99.998
Depreciation expenses (Note 9)	3.650	841
Remain in jeans costs	-	8.600
Other	177.014	250.835
	1.962.215	2.120.684

b) Marketing expense

	1 January- 31 December 2014	1 January- 31 December 2013
The performance fee paid to the asset management company for the sale of subsidiaries	-	445.208
Commision on share securities	-	18.286
	-	463.494

15. OTHER OPERATING INCOME/(EXPENSES)

	1 January- 31 December 2014	1 January- 31 December 2013
Other operating income		
Discount revenue (Note 8)	1.583.234	-
Interest income	594.790	1.011.493
Unrealized increase in fair value of securities	107.537	-
Dividend income (Note 17)	-	120.605
Income of cancellation of possible tax provision	-	96.299
Other	1.549	1.057
Other operating income	2.287.110	1.229.454
Other operating expenses		
Provision for doubtful receivables (Note 8)	(8.748.880)	-
Discount expenses (Note 8)	(118.708)	(1.583.234)
Unrealized impairment in securities	-	(659.198)
Other	-	(26.582)
Other operating expenses	(8.867.588)	(2.269.014)
Other operating expenses, net (-)	(6.580.478)	(1.039.560)

16-TAXES ON INCOME

According to CMB's Corporate Tax Declaration Law, article 5/d, dividends paid to non-resident corporations that have business in Turkey or to resident corporations are not subject to withholding tax. Corporate Tax Law, paragraph 3 of Article 15 and of the Council of Ministers with portfolio management of venture capital investment partnership gains to be made over the withholding tax rate to 0% (zero), respectively.

Withholding Tax Declaration Law No. 193, 67th article of the amendment by Law No. 5527 on 7 July 2006 and published in the framework of this change in the Official Gazette No. 26237 and with the Capital Market in accordance with the decision established securities investment funds (funds and exchange traded funds and housing finance funds, including asset finance) and securities portfolio management, investment partners over the earnings until the date of 1 October 2006 date of the change rate of withholding tax is amended to 15% from 1 October 2006.

16. TAXES ON INCOME (Continued)

However, shares acquired before 01 January 2006, with treasury bills and bonds issued before that date, or the maintenance of a process arising from the disposals of the portfolio and gains exempt from corporation tax are subject to the provisions that are valid from 31 December 2006. Accordingly, allowance has been made to the portion of the portfolio in the formation of at least 25% of the shares from the portfolio in this part of the portfolio gains of 0%, otherwise of 10%.

Withholding Tax Declaration Law No. 193, 67th article of the amendment by Law No: 5527 on 7 July 2006 and published in the framework of this change in the Official Gazette No. 26237 dated 23 July 2006, and with the Capital Market in accordance with the decision established securities investment funds (funds and exchange traded funds and housing finance funds, including asset finance) and securities portfolio management, investment partners over the earnings until the date of 1 October 2006 date of the change rate of withholding tax is amended to 10% and 0% from 1 October 2006.

As of 31 December 2014 and 31 December 2013 tax provision is not reserved, as the above mentioned regulations of GVK.

17. BALANCES AND TRANSACTIONS WITH RELATED PARTIES

a. As of 31 December 2014 and 31 December 2013 balances of related parties are as follows:

Held for trading securities (Note 7)

	31 December 2014		31 December 2013	
	Cost	Fair Value	Cost	Fair Value
Egeli & Co. Yatırım Holding A.Ş.	1.872.636	1.382.994	2.160.679	1.414.900
Egeli & Co Tarım Girişim Sermayesi Yatırım Ortaklığı A.Ş.	153.473	171.271	1.064.015	594.531
	2.026.109	1.554.265	3.224.694	2.009.431

**17. BALANCES AND TRANSACTIONS WITH RELATED PARTIES
 (Continued)**

Other long-term receivables from subsidiaries and business partnerships (Discount deducted) (Note 8)

	31 December 2014	31 December 2013
Eurasia	533.131	-
Karesi	532.869	297.515
	1.066.000	297.515

Provisions for portfolio management commission payables to related parties

	31 December 2014	31 December 2013
Egeli & Co Portföy Yönetimi A.Ş. (Note 11)	76.386	22.597
	76.386	22.597

Trade payables to related parties

	31 December 2014	31 December 2013
Egeli & Co Portföy Yönetimi A.Ş.	-	467.468
Egeli & Co Kurumsal Destek Hizmetleri A.Ş.	-	5.803
	-	473.271

b. As of 1 January-30 December 2014 and 2013 transactions with related parties are as follows:

Dividend income

	1 January- 31 December 2014	1 January- 31 December 2013
Egeli& Co Yatırım Holding A.Ş. (Note 15)	-	120.605
	-	120.605

17. BALANCES AND TRANSACTIONS WITH RELATED PARTIES (Continued)

b. As of 1 January-30 December 2014 and 2013 transactions with related parties are as follows: (Continued)

	1 January- 31 December 2014	1 January- 31 December 2013
The portfolio management commissions and fees paid to related parties		
Egeli & Co Portföy Yönetimi A.Ş.	837.113	1.255.348
	837.113	1.255.348

The amount includes portfolio management commissions and fees paid to related parties.

	1 January- 31 December 2014	1 January- 31 December 2013
Support services and rental and usage costs		
Egeli & Co Kurumsal Destek Hizmetleri A.Ş. ^(c)	73.344	90.152
Egeli & Co Finansal Yatırımlar A.Ş. ^(c)	39.592	39.444
	112.936	129.596

^(c) The amount includes expenses for accounting, operations, administration, technical services, corporate support and reporting..

^(c) The amount includes rent and usage costs.

	1 January- 31 December 2014	1 January- 31 December 2013
Purchase of financial asset and joint venture to related parties		
Egeli & Co Yatırım Holding A.Ş.		
-Capital advance paid to EGC (Note 7)	-	3.000.000
-Karesi purchase ^(c)	-	794.111
EGC Elektrik Enerji		
Üretim Sanayi ve Ticaret A.Ş. ^(c)	-	2.386.487
	-	6.180.598

^(c) The amount is related to purchase of Karesi and explained in Note 7.

^(c) The amount is related to purchase of Enda and explained in Note 7.

17. BALANCES AND TRANSACTIONS WITH RELATED PARTIES (Continued)

b. As of 1 January-30 December 2014 and 2013 transactions with related parties are as follows: (Continued)

Interest income from related parties

	1 January- 31 December 2014	1 January- 31 December 2013
Egeli & Co Yatırım Holding A.Ş. (Note 7) ^(*)	302.639	-
	302.639	-

^(*) As explained in Note 7, pre-purchase agreement regarding the transfer of EGC shares was terminated on 6 February 2014 as a result of mutual reconciliation with Egeli & Co Yatırım Holding A.Ş., and it was agreed that Egeli & Co Yatırım Holding A.Ş. should repay the TRY 3.000.000, including its legal interest, which was the advance payment made for the purchase of the shares. TRY 3.302.639 has been collected from Egeli & Co Yatırım Holding A.Ş, which includes and legal interest. Interest revenue received TRY 302.639 is classified in other operating income.

c. Unrealized appreciation in the stock of related parties/ (decreases)

	1 January- 31 December 2014	1 January- 31 December 2013
Egeli & Co Yatırım Holding A.Ş.	165.134	(455.646)
Egeli & Co Tarım Girişim Sermayesi Yatırım Ortaklığı A.Ş.	87.419	(341.539)
	252.553	(797.185)

d. High level executives benefits

The sum of the fees and short-term benefits provided to high level executives are TRY 342.568 for the fiscal year ending on 31 December 2014. (31 December 2013: TRY 286.665).

18. EARNINGS/(LOSS) PER SHARE

Earnings per share stated in the income statement are being calculated by dividing the net profit for the current period by the weighted average number of ordinary shares.

18. EARNINGS/(LOSS) PER SHARE (Continued)

In Turkey, companies can increase their share capital by distributing "bonus shares" of earnings to existing shareholders from retained earnings and revaluation funds. This type of "bonus shares", comprised of a certain amount of retained earnings per share, are regarded as issued shares. The weighted average number of shares used for earnings per share, is derived by giving retroactive effect of previous transactions.

Earnings per share are calculated by dividing the net profit distributed to shareholders by the weighted average number of shares issued:

	1 January- 31 December 2014	1 January- 31 December 2013
Net loss related to shareholders (-)	(7.930.908)	(431.104)
Weighted average number of issued shares	2.000.000.000	2.000.000.000
Loss per share (-) (Income/(loss) (per share is TRY 0.01)	(0,3965)	(0,0216)
Total comprehensive loss (-)	(7.216.781)	(430.554)
Loss per share (-) for comprehensive loss (per share is TRY 0.01)	(0,3608)	(0,0215)

The Company owns TRY 25.000.000 privileged shares registered in the name of shareholders with the nominal value of TRY 0.01. Each of these equities are voting stock which has a million voting securities in order to elect members of board of directors. These type of shares has been devoid of privilege to profit distribution. Earnings per share is the same for privileged and common share.

19. NATURE AND LEVEL OF RISK DERIVED FROM FINANCIAL INSTRUMENTS

19.1 Financial risk management

a) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to meet regarding the terms of their agreements as foreseen and which causes the other party to incur a financial loss.

As of 31 December 2014, the most important credit risk is consist of deposits held at the bank and other receivables. All of the Company's bank deposits are in Turkish banks. Other receivables related to credit risk is managed by the guarantees.

19. NATURE AND LEVEL OF RISK DERIVED FROM FINANCIAL INSTRUMENTS (Continued)

The Company's maximum credit risk exposure:

31 December 2014	Bank deposits (Note 6)	Other receivable from related party (Note 8)	Other receivable from third party (Note 8)
As of reporting date Max, credit risk exposed	2.785.841	1.066.000	858.846
Part of maximum risk under guarantee with collateral	-	-	-
Net book value of not-due or not-impaired financial assets	2.785.841	1.066.000	858.846
Net book value of impaired financial assets	-	-	-
-Overdue (The gross book value)	-	-	8.748.880
-Impairment (-) ^(c)	-	-	(8.748.880)

^(c) Since the company could not collect receivables from the sale of subsidiaries and does not expect future collection as disclosed Note 8, the company make provision for the total receivable amount in income statement.

31 December 2013	Bank deposits (Note 6)	Other receivable from related party (Note 8)	Other receivable from third party (Note 8)
As of reporting date max, credit risk exposed	3.367.871	297.515	24.170.393
Part of maximum risk under guarantee with collateral	-	-	24.166.766
Net book value of not-due or not-impaired financial assets	3.367.871	297.515	24.170.393

19. NATURE AND LEVEL OF RISK DERIVED FROM FINANCIAL INSTRUMENTS (Continued)

b) Liquidity risk disclosures

Liquidity risk is the inability of the Company to match the net funding requirements with sufficient funds. A decrease in funding sources mainly due to market instability or a decrease in credit risk results in liquidity risk. The Company manages the liquidity risk by maintaining sufficient cash and other liquid assets in order to fund the current and prospective debt requirements.

The Company does not have any derivative financial liabilities. The following table presents the cash flows payable by the Company under other financial liabilities according to their remaining contractual maturities as of 31 December 2014 and 31 December 2013. The tables have been drawn up based on the discounted cash flows.

31 December 2014							
	Book Value	Up to 1 month	Between 1-3 months	Between 3 months-1 year	Between 1-5 years	Demand	Total cash outflows in accordance with agreement
Trade payables	46.601	-	46.601	-	-	-	46.601
Provisions for employee benefits	799	-	-	799	-	-	799
Other short-term provisions	76.386	-	76.386	-	-	-	76.386
Other short-term liabilities	67.504	-	67.504	-	-	-	67.504
Long-term dated provisions for employees	12.976	-	-	-	12.976	-	12.976
Total	204.266	-	190.491	799	12.976	-	204.26

31 December 2013							
	Book Value	Up to 1 month	Between 1-3 months	Between 3 months-1 year	Between 1-5 years	Demand	Total cash outflows in accordance with agreement
Trade payables	483.018	483.018	-	-	-	-	483.018
Other short-term provisions	22.597	22.597	-	-	-	-	22.597
Other short-term liabilities	34.168	34.168	-	-	-	-	34.168
Short-term provisions for Employees	4.711	-	-	-	4.711	-	4.711
Total liabilities	544.494	539.783	-	-	4.711	-	544.494

19. NATURE AND LEVEL OF RISK DERIVED FROM FINANCIAL INSTRUMENTS (Continued)

c) Market Risk

i. Foreign exchange risk

Transactions in foreign currencies expose the Company to foreign currency risk. Since The Company does not have material assets and liabilities denominated in foreign currency as of 31 December 2014 and 31 December 2013, the company was not exposed to currency risk.

ii. Interest rate risk

Market interest rate changes on financial instruments lead to price fluctuations, the Company's interest rate risk coping leads to the need. This risk is affected by interest rate changes usually a short-term assets or managed to keep in reserve.

As of 31 December 2014 and 31 December 2013, there is no interest risk since the company owns no variable interest rated financial assets.

As of 31 December 2014 and 31 December 2013, average interest rates on financial instruments.

Assets (TRY)	31 December 2014 TRY (%)	31 December 2013 TRY (%)
Bank deposits	5,42	7,29
Other receivables	10,02	9,47

19. NATURE AND LEVEL OF RISK DERIVED FROM FINANCIAL INSTRUMENTS (Continued)

As of 31 December 2014 and 31 December 2013, financial assets and liabilities by re-pricing according to the remaining contractual maturities is as follows:

31 December 2013	Up to 1 month	Between 1-3 months	Between 3 months- 1 year	Between 1-5 years	5 years and over	Demand	Total
Cash and cash equivalents	2.785.545	-	-	-	-	296	2.785.841
Financial investments	-	-	-	-	-	28.742.856	28.742.856
Other receivables	-	858.846	96.853	1.066.000	-	-	2.021.699
Total assets	2.785.545	858.846	96.853	1.066.000	-	28.743.152	33.550.396
Trade payables	46.601	-	-	-	-	-	46.601
Other payables and short-term liabilities	67.504	-	-	-	-	-	67.504
Provisions	76.386	-	799	-	12.976	-	90.161
Total liabilities	190.491	-	799	-	12.976	-	204.266
Net position	2.595.054	858.846	96.054	1.066.000	(12.976)	28.743.152	33.346.130

31 December 2013	Up to 1 month	Between 1-3 months	Between 3 months- 1 year	Between 1-5 years	5 years and over	Demand	Total
Cash and Cash equivalents	3.364.251	-	-	-	-	3.620	3.367.871
Financial investment	-	-	-	-	-	13.156.460	13.156.460
Other short term receivables	3.627	-	24.166.766	297.515	-	-	24.467.908
Total assets	3.367.878	-	24.166.766	297.515	-	13.160.080	40.992.239
Trade payables	483.018	-	-	-	-	-	483.018
Other current liabilities	34.168	-	-	-	-	-	34.168
Short term provision	22.597	-	-	-	4.711	-	27.308
Total liabilities	539.783	-	-	-	4.711	-	544.494
Net position	2.828.095	-	24.166.766	297.515	(4.711)	13.160.080	40.447.745

iii. Share certificate price risk

All the shares that are classified as financial assets in the Company's balance sheet reflect the fair value differences of profits/losses and are traded on the Istanbul Stock Exchange. As of 31 December 2014, if the Istanbul Stock Exchange index increases/decreases by 5%, with all other variables held constant, net loss for the year would have been by TRY 119.213 (31 December 2013: TRY 100.472).

19. NATURE AND LEVEL OF RISK DERIVED FROM FINANCIAL INSTRUMENTS (Continued)

d) Capital management

The Company's objectives when managing capital is to decrease the investment risk through portfolio diversification. The Company aims to provide returns for shareholders by preserving and increasing the value of its portfolio. In order to add value to its portfolio, the Company invests in high-yielding marketable securities and other financial instruments, monitors the developments in capital markets and other financial institutions and modifies its portfolio strategy accordingly.

19.2 Fair value of the financial instruments

Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced sale or liquidation, and is best evidenced by a quoted market price, if one exists.

The estimated fair values of financial instruments have been determined by the Company using available market information and appropriate valuation methodologies. However, judgement is necessarily required to interpret market data to estimate the fair value. Accordingly, the estimates presented here are not necessarily indicative of the amounts the Company could realise in a current market exchange.

The following methods and assumptions were used to estimate the fair value of the financial instruments for which it is practicable to estimate fair value.

a) Financial assets

In the extent of the Company's Board of Directors decision on 17 June 2014, since the subsidiaries has not became operational, the cost of investment in Eurasia which is established as 100% ownership form has not been measure reliably, and the purchase of subsidiaries has been closed to reporting period, it has been assumed that the shares in subsidiaries approximated to their fair values as of 31 December 2014 and recorded at cost in income statement.

Since the partnership whose shares is not traded in stock exchange have not became operational, the fair value could not be measured reliably as of 31 December 2014 and 31 December 2013 and recorded at cost in income statement. The cost of Karesi will be recovered if necessary permissions from the relevant authorities can be obtained and if Karesi becomes operational.

19. NATURE AND LEVEL OF RISK DERIVED FROM FINANCIAL INSTRUMENTS (Continued)

Since the shares of Enda which are classified as financial assets available for sale are not trading in stock exchanges, all of the shares owned by the company has been measured from purchase prices and recorded in financial statements.

The fair value of financial assets which are traded in stock exchange and recorded in financial statements at fair value is assumed to be equal price in ISE.

The fair values of all financial assets which are recorded at cost including cash, receivables from bans and other financial assets are assumed to approximate to recorded value.

b) Financial liabilities

The Company assumes that the carrying values of financial assets and liabilities are close to their fair values are due to their short term maturity.

The Company measures the fair value of each class of financial instruments according to the source, using a three-level hierarchy, are classified as follows

The fair value of financial assets and liabilities are determined as follows

- First level: Financial assets and liabilities are valued at the stock exchange price in an active market for exactly the same assets and liabilities
- Second level: Financial assets and liabilities are valued with the inputs used to determine a directly or indirectly observable price other than the stock market price of the relevant asset or liability mentioned in the first level.
- Third level: Financial assets and liabilities are valued with inputs cannot be based on the data observed in the market and used to determine the fair value of the asset or liability.

31 December 2014

Fair value through financial assets in the balance sheet	Level 1	Level 2	Level 3
-Unquoted financial investments	-	-	26.358.591
-Stock exchange securities	2.384.265	-	-

19. NATURE AND LEVEL OF RISK DERIVED FROM FINANCIAL INSTRUMENTS (Continued)

Fair value through financial assets
 in the balance sheet

	Level 1	Level 2	Level 3
-Unquoted financial investments	-	-	11.147.029
-Stock exchange securities	2.009.431	-	-

The company's portfolio of financial assets measured at fair value the carrying values are as follows:

31 December 2014	Cost	Fair Value	Book value
Unquoted financial investments	25.648.531	26.358.591	26.358.591
Stock exchange securities	3.001.108	2.384.265	2.384.265
	28.649.639	28.742.856	28.742.856

31 December 2013	Cost	Fair Value	Book value
Unquoted financial investments	11.147.029	11.147.029	11.147.029
Stock exchange securities	3.224.694	2.009.431	2.009.431
	14.371.723	13.156.460	13.156.460

20. SUBSEQUENT EVENTS

Subsequent events after the balance sheet date of 31 December 2014 were as follows:

- The Company has given guaranty to the Eurasia which Egeli& Co Girişim is the leading shareholder of, for the general loan agreement at the amount of TRY 600.000 signed with Türkiye Vakıflar Bankası T.A.O. on 16 February 2015.
- The company is planning to sell shares owned on Egeli & Co Yatırım Holding A.Ş in 12 months with the approval of CMB and applied to CMB on 9 January 2015 by preparing Pay Sales Data Sheet.

20. SUBSEQUENT EVENTS (Continued)

c) The company has started to legal actions which has completed its sale price of TRY 25.750.000 on 3 December 2013, the venture capital investment KRC Gayrimenkul Yatırım A.Ş. for last installment of amount TRY 8.748.880 that is not collected on 12 February 2015.

Subsequent events after the balance sheet date of 31 December 2013 were as follows:

a) EGC pre-purchase agreement for the takeover of the shares, on 6 February 2014, Egeli & Co Yatırım Holding A.Ş terminated by mutual agreement and with the purchase of shares for TRY 3.000.000 has been paid in advance with legal interest Egeli & Co Yatırım Holding A.Ş has been understood in reimbursement by 6 February 2014 on the advance payment of TRY 1.000.000 of TRY 1.088.452 together with legal interest and the VAT Egeli & Co Yatırım Holding A.Ş. has been collected (Note 7).

b) The company's leading shareholder Egeli & Co Yatırım Holding A.Ş.'s share rate has dropped to % 84.03 as of 27 February 2014.

21. OTHER ISSUES

A personal liability lawsuit was filed on 11 December 2014 by Şeker Finansal Kiralama A.Ş., the surety holder of former affiliate (KRC) of the company, against the board of directors members working for the Company during the period while KRC was held by the Company.

EGELİ & CO GİRİŞİM SERMAYESİ YATIRIM ORTAKLIĞI A.Ş.
CONVENIENCE TRANSLATION INTO ENGLISH OF EXPLANATORY NOTES TO
THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED
31 DECEMBER 2014 ORIGINALLY ISSUED IN TURKISH
(AMOUNTS EXPRESSED IN TURKISH LIRA ("TRY") UNLESS OTHERWISE INDICATED.)

EGELİ & CO GİRİŞİM SERMAYESİ YATIRIM ORTAKLIĞI A.Ş.
CONVENIENCE TRANSLATION INTO ENGLISH OF ADDITIONAL
NOTE: PORTFOLIO RESTRICTIONS, CONSISTENCY CHECK TO
THE FINANCIAL LIABILITIES AND CUMULATIVE EXPENSES LIMITS

Individual Financial Statement Main Account Items	Notified Relevant Regulation	31.12.2014 (TRY)	31.12.2013 (TRY)
A Money and Capital Market Instruments	Md.20/1 - (b)	4.998.835	4.782.771
B Venture Fund Investments	Md.20/1 - (a)	26.529.862	11.741.560
C Assets Management and Consulting Company's Associates	Md.20/1 - (d) ve (e)	-	-
D Other Assets		2.031.529	24.592.904
E Partnership Total Assets	Md.3/1-(a)	33.560.226	41.117.235
F Financial Debts	Md.29	-	-
G Provisions, Contingent Assets and Liabilities	Md.20/2 - (a)	-	-
H Equity		33.355.960	40.572.741
I Other Liabilities		204.266	544.494
E Partnership Total Liability	Md.3/1-(a)	33.560.226	41.117.235
Individual Other Financial Informations	Notified Relevant Regulation	31.12.2014 (TRY)	31.12.2013 (TRY)
A1 Investment of Capital Market Instruments	Md.20/1 - (b)	2.384.265	1.414.900
1. Capital Market Instruments		2.384.265	1.414.900
A- Shares		2.384.265	1.414.900
EGCYH.E		1.382.994	1.414.900
EGCYO.E		171.271	-
YAPRKE		830.000	-
A2 TRY and Foreign Currency Time and Demand Deposits	Md.20/1 - (b)	2.785.841	3.367.871
B1 Established Abroad Collective Investment Firm	Md.21/3 - (c)	-	-
B2 Debt and Equity Financing Mix	Md.21/3 - (f)	-	-
B3 Public Venture Company Shares of OFF-Exchange	Md.21/3 - (e)	-	-
B4 Special Purpose Company	Md.21/3 - (g)	-	-
C1 Associate Asset Management Company	Md.20/1 - (e)	-	-
C2 Associate Consulting Company	Md.20/1 - (d)	-	-
F1 Short-Term Borrowings	Md.29/1	-	-
F2 Long-Term Borrowings	Md.29/1	-	-
F3 Short-Term Debt Instruments	Md.29/1	-	-
F4 Long-Term Debt Instruments	Md.29/1	-	-
F5 Other Short-Term Debt Instruments	Md.29/1	-	-
F6 Other Long-Term Debt Instruments	Md.29/1	-	-
G1 Pledge	Md.20/2 - (a)	-	-
G2 Guarantees	Md.20/2 - (a)	-	-
G3 Mortgages	Md.20/2 - (a)	-	-
I Outsourced Services Costs	Md.26/1	995.563	1.070.667

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Portfolio Restrictions	Notified Relevant Regulation	31/12/14	31/12/13	Minimum/ Maximum Rate
1 Money and Capital Market Instruments	Md.22/1 – (b)	14,90%	11,63%	
2 Capital Market Instruments	Md.22/1 – (c)	7,10%	3,44%	≤ %10
A -Shares		4,63%	3,44%	≤ %10
EGCYH.E		4,12%	3,44%	
EGCYO.E		0,51%	0,00%	
YAPRKE		2,47%	0,00%	
3 Venture Fund Investments	Md.22/1 – (b)	79,05%	28,56%	≥ %51
4 Assets Management and Consulting Company's Associates	Md.22/1 – (ç)	0,00%	0,00%	≤ %10
5 Established Abroad Investment Firm	Md.22/1-(e)	0,00%	0,00%	≤ %49
6 Debt and Equity Financing Mix	Md.22/1-(h)	0,00%	0,00%	≤ %25
7 Public Venture Company Shares of OFF-Exchange	Md.22/1-(f)	0,00%	0,00%	≤ %25
8 TRY and Foreign Currency Time and Demand Deposits	Md.22/1-(i)	8,30%	8,19%	≤ %20
9 Short-Term Borrowings and Debt Instruments Nominal Value	Md.29	0,00%	0,00%	≤ %50
10 Long-Term Borrowings and Debt Instruments Nominal Value	Md.29	0,00%	0,00%	≤ %200
11 Pledge, Guarantees and Mortgages	Md.22/1 – (d)	0,00%	0,00%	≤ %10
12 Outsourced Services Costs	Md.26/1	2,42%	2,60%	≤ %2,5

SUBSIDIARY	A company whose voting stock is more than 50% controlled by another company, usually referred to as the parent company or holding company.
TICKER	An arrangement of characters (usually letters) representing a particular security listed on an exchange or otherwise traded publicly.
CURRENT RATIO	A liquidity ratio that measures a company's ability to pay short-term obligations.
E-COMPANY	According to the Article No. 1524 of the new Turkish Commercial Law which has been effective by July 2012 joint stock companies are required to open web sites and disclose stated information and documents on those web sites. E-Company, the company information portal that has been developed based on the legally required information and documents to be disclosed.
FEASIBILITY STUDY	An analysis of the ability to complete a project successfully, taking into account legal, economic, technological, scheduling and other factors.
VENTURE CAPITAL INVESTMENT TRUST	The CMB defines Venture Capital Investment Trusts as a form of collective investment institutions, directing issued capital toward venture capital investments which are defined as long-term fund transfers, by investing in capital market instruments issued in primary markets by the entrepreneur companies already established or to be established, with the aim of obtaining capital or interest gains
PUBLICLY-TRADED COMPANY	A company that has issued securities through an initial public offering (IPO) and is traded on at least one stock exchange or in the over the counter market.
EARNINGS PER SHARE	Earnings per share determined by dividing net profit by the weighted average number of shares that have been outstanding during the year.

ISIN CODE	The ISIN standard is used worldwide to identify specific securities such as bonds, stocks (common and preferred), futures, warrant, rights, trusts, commercial paper and options.
PRIVILEGED SHARES	A privilege right is defined as a superior right granted to share or share. Preferential rights concerning dividends or the distribution of the assets of the company in case of winding up and other privileges to certain classes of share certificates.
AFFILIATE	A type of inter-company relationship in which parent company directly or indirectly owns less than a majority of the other company's stock. (from 10% to 50%)
GEOTHERMAL ENERGY	A form of energy obtained from within the earth, originating in its core; also, energy produced by extracting the earth's internal heat. Geothermal energy is a renewable energy source that does little damage to the environment.
PDP-PUBLIC DISCLOSURE PLATFORM	Public Disclosure Platform (PDP) is an electronic system through which electronically signed notifications required by the capital markets and Borsa Istanbul regulations are publicly disclosed
CORPORATE SUSTAINABILITY	Adopting business strategies that meet the needs of the enterprise and its stakeholders today while sustaining the resources, both human and natural, that will be needed in the future. Corporate response to sustainable development represented by strategies and practices that address the key issues for the world's sustainable development.
LIQUIDITY	The degree to which an asset or security can be bought or sold in the market without affecting the asset's price.
CRA - CENTRAL REGISTRY AGENCY	is the central securities depository for capital market instruments which are decided by CMB to be dematerialized.
BEARER SHARE	An equity security that is wholly owned by whoever holds the physical stock certificate.

GLOSSARY

ORGANIC GROWTH	The growth rate that a company can achieve by increasing output and enhancing sales. (Farming; increase of herd size due to insemination)
SHAREHOLDERS EQUITY / TOTAL ASSET	The Equity ratio measures the proportion of the total assets that are financed by stockholders.
STAKEHOLDER	A person, group or organization that has interest or concern in an organization.
MARKET VALUE	Market capitalization of a publicly-traded company, and is obtained by multiplying the number of its outstanding shares by the current share price.
SUSTAINABLE SOCIALLY RESPONSIBLE INVESTMENTS	An investment discipline that considers environmental, social and corporate governance criteria to generate long-term competitive financial returns and positive societal impact.
RENEWABLE ENERGY	Is any energy source that is naturally replenished, like that derived from solar, wind, geothermal or hydroelectric action.
TOTAL LIABILITIES / SHAREHOLDERS' EQUITY	Indicates what proportion of equity and debt the company is using to finance its assets.



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