EFG İSTANBUL MENKUL DEĞERLER A.Ş.

CONVENIENCE TRANSLATION INTO ENGLISH OF FINANCIAL STATEMENTS AT 31 DECEMBER 2008 TOGETHER WITH INDEPENDENT AUDITOR'S REPORT ORIGINALLY ISSUED IN TURKISH, SEE NOTE 26 (a)

Başaran Nas Bağımsız Denetim ve
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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 EFG İstanbul Menkul Değerler A.Ş.

1. We have audited the accompanying financial statements of EFG İstanbul Menkul Değerler A.Ş. ("the Company") which comprise the balance sheet as of 31 December 2008 and the related statement of income, changes in shareholder's equity and cash flow for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

4. In our opinion, the accompanying financial statements give a true and fair view of the financial position of EFG İstanbul Menkul Değerler A.Ş. as of 31 December 2008, and of its financial performance and its cash flows for the year then ended in accordance with the financial reporting standards issued by the Capital Markets Board (See Note 2).

Additional Paragraph for Convenience Translation into English

5. The accounting principles described in Note 2 (defined as 'Capital Markets Board Accounting Standards') to the accompanying financial statements differ from International Financial Reporting Standards (''IFRS'') issued by the International Accounting Standards Board with respect to the application of inflation accounting for the period between 1 January - 31 December 2005 and presentation of the basic financial statements and the notes to them. Accordingly, the accompanying financial statements are not intended to present the financial position, results of operations and cash flows in accordance with IFRS.

Başaran Nas Bağımsız Denetim ve
Serbest Muhasebeci Mali Müşavirlik A.Ş.
a member of
PricewaterhouseCoopers

Talar Gül, SMMM
Partner

İstanbul, 12 March 2009

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EFG İSTANBUL MENKUL DEĞERLER A.Ş.

CONVENIENCE TRANSLATION INTO ENGLISH OF BALANCE SHEETS AT 31 DECEMBER 2008 AND 31 DECEMBER 2007 ORIGINALLY ISSUED IN TURKISH, SEE NOTE 26 (a)

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

	Notes	Audited 31 December 2008	Audited 31 December 2007
ASSETS			
Current Assets		**89.098.723**	**71.952.590**
Cash and Cash Equivalents	4	81.192.863	50.161.939
Financial Investments	5	4.904.230	9.376.702
Trade Receivables	7	489.215	11.100.256
Other Receivables	8	721.671	1.002.630
Other Current Assets	13	1.790.744	311.063
Non-Current Assets		**3.072.705**	**3.205.738**
Other Receivables	8	959.970	1.380.155
Financial Investments	5	8.480	8.480
Property and Equipment (net)	9	622.893	604.385
Intangible Assets (net)	10	209.419	111.971
Deferred Tax Assets	20	1.271.943	819.084
Other Non-Current Assets	13	-	281.663
Total Assets		**92.171.428**	**75.158.328**
LIABILITIES			
Current Liabilities		**11.678.623**	**19.719.137**
Financial Liabilities	6	92.422	65.430
Trade Payables	7	1.478.153	10.603.578
Other Payables	8	801.549	1.770.565
Current Income Tax Liabilities	20	2.778.907	2.582.328
Provisions	11	6.298.593	4.620.710
Other Liabilities	13	228.999	76.526
Non-Current Liabilities		**298.740**	**289.120**
Financial Liabilities	6	57.913	115.243
Provisions for Employee Benefits	12	240.827	173.877
SHAREHOLDERS' EQUITY		**80.194.065**	**55.150.071**
Share Capital	14	8.450.000	8.450.000
Adjustment to Share Capital	14	25.355.592	25.355.592
Revaluation Fund	14	7.198	7.198
Restricted Reserves	14	3.408.187	2.271.065
Retained Earnings		17.929.094	2.910.695
Net Income for the Period		25.043.994	16.155.521
Total Liabilities and Shareholders' Equity		**92.171.428**	**75.158.328**
Contingent Assets and Liabilities	11		

The financial statements for the period ended 31 December 2008 have been approved by the Board of Directors on 12 March 2009. General Assembly has the power to amend the financial statements.

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

CONVENIENCE TRANSLATION INTO ENGLISH OF INCOME STATEMENTS FOR THE YEARS ENDED 31 DECEMBER 2008 AND 31 DECEMBER 2007 ORIGINALLY ISSUED IN TURKISH, SEE NOTE 26 (a)

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

	Notes	Audited 31 December 2008	Audited 31 December 2007
Net Sales	15	359.138.603	844.626.819
Sales		315.154.034	800.504.156
Services Income		44.453.761	44.123.188
Deductions from Services Income (-)		469.192	525
Cost of Sales (-)	15	315.264.544	800.667.710
Gross Profit		**43.874.059**	**43.959.109**
Marketing, Selling and Distribution Expenses (-)	16	2.329.627	1.534.959
General Administrative Expenses (-)	16	28.723.158	18.937.084
Other Operating Income	17	2.622.703	1.088.377
Other Operating Expenses (-)	17	299.174	1.519.749
Operating Profit		**15.144.803**	**23.055.694**
Financial Income	18	16.484.518	4.143.976
Financial Expenses (-)	19	509.354	6.761.562
Profit before Tax		**31.119.967**	**20.438.108**
Tax Expense			
- Taxes on Income	20	(6.528.832)	(4.608.024)
- Deferred Tax Income/(Expense)	20	452.859	325.437
Net Income for the Period		**25.043.994**	**16.155.521**
Earnings per Share	**21**	**2,96**	**1,91**

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

EFG İSTANBUL MENKUL DEĞERLER A.Ş.

CONVENIENCE TRANSLATION INTO ENGLISH OF AUDITED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE YEARS ENDED 31 DECEMBER 2008 AND 2007 ORIGINALLY ISSUED IN TURKISH, SEE NOTE 26 (a)

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

	Notes	Share Capital	Adjustment to Share Capital	Revaluation Fund	Restricted Reserves	(Accumulated Deficit) / Retained Earnings	Net Income/ (Loss) for the Period	Total Shareholders' Equity
1 January 2007		**8.450.000**	**25.355.592**	**7.198**	**1.167.657**	**(13.461.160)**	**17.475.263**	**38.994.550**
Transfer from retained earnings	14	-	-	-	1.103.408	16.371.855	(17.475.263)	-
Net income for the period		-	-	-	-	-	16.155.521	16.155.521
31 December 2007		**8.450.000**	**25.355.592**	**7.198**	**2.271.065**	**2.910.695**	**16.155.521**	**55.150.071**
1 January 2008		**8.450.000**	**25.355.592**	**7.198**	**2.271.065**	**2.910.695**	**16.155.521**	**55.150.071**
Transfer from retained earnings	14	-	-	-	1.137.122	15.018.399	(16.155.521)	-
Net income for the period		-	-	-	-	-	25.043.994	25.043.994
31 December 2008		**8.450.000**	**25.355.592**	**7.198**	**3.408.187**	**17.929.094**	**25.043.994**	**80.194.065**

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

CONVENIENCE TRANSLATION INTO ENGLISH OF CASH FLOWS STATEMENTS AT 31 DECEMBER 2008 AND 31 DECEMBER 2007 ORIGINALLY ISSUED IN TURKISH, SEE NOTE 26 (a)

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

	Notes	Audited 31 December 2008	Audited 31 December 2007
Cash flows from operating activities:			
Net income for the period		25.043.994	16.155.521
Adjustments to reconcile net income to net cash from operating activities:			
Depreciation	9	151.054	46.363
Amortization	10	39.678	20.682
Provision for unused vacation	11	130.577	30.428
Provision for employment termination benefits	12	66.950	99.634
Provision for personnel bonus	11	6.000.000	3.700.000
Provision for corporate tax	20	6.075.973	4.282.587
Interest income, net		(8.415.411)	(3.934.958)
Interest paid		(303.761)	(192.553)
Interest received		8.908.347	4.572.159
Operating profit before changes in assets and liabilities:			
Net decrease/(increase) in marketable securities		5.519.153	(2.940.732)
Net decrease/(increase) in trade receivables		10.892.000	(12.925.924)
Net increase in other assets		(777.833)	(261.316)
Net (decrease)/increase in trade payables		(1.687.797)	2.666.248
Net decrease in other liabilities and provisions		(5.269.237)	(558.930)
Taxes paid		(6.332.253)	(3.108.849)
Net cash from operating activities		**40.041.434**	**7.650.360**
Cash flows used in investing activities:			
Purchase of property and equipment	9	(311.006)	(566.735)
Purchase of intangible assets	10	(137.126)	(101.833)
Sales of property and equipment, net	9	141.444	-
Net cash used in investing activities		**(306.688)**	**(668.568)**
Cash flows from/(used in) financing activities:			
Net (decrease)/increase in financing leasing payables	6	(30.338)	180.673
Net cash (used in)/from financing activities		**(30.338)**	**180.673**
Net increase in cash and cash equivalents		**39.704.408**	**7.162.465**
Cash and cash equivalents at the beginning of the period	4	40.277.156	33.114.691
Cash and cash equivalents at the end of the period	**4**	**79.981.564**	**40.277.156**

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

NOTE 1 - ORGANISATION AND NATURE OF OPERATIONS

EFG İstanbul Menkul Değerler Anonim Şirketi ("the Company") (former name HC İstanbul Menkul Değerler Anonim Şirketi) was established under the name Kapital Menkul Değerler Anonim Şirketi on 19 November 1990. Due to the change in shareholders of HC İstanbul Holding A.Ş. which is the main shareholder of HC İstanbul Menkul Değerler A.Ş., the Company's trade name was changed to EFG İstanbul Menkul Değerler A.Ş. This change was approved by the Capital Markets Board on 11 May 2005 and announced in the Trade Registry Gazette dated 23 May 2005, numbered 6308. Following the Capital Markets Board's approval, dated 28 September 2007 and numbered 24535, the shares of the Company were purchased by Eurobank Tekfen A.Ş. which became the main shareholder of the Company.

The Company's principal activities are, as a member firm of the stock exchange, to purchase and sell marketable securities such as share certificates and bonds, and other securities representing financial assets and liabilities of issuers, in the marketable securities markets in the name and on account of others or on the account of others and in the name of itself or in the name and on account of itself; to act as intermediary in the purchase and sale of capital market instruments through public offering and to manage portfolios consisting of capital market instruments on account of customers, in accordance with its Articles of Association and the Capital Markets Law (No.2499). The headquarter of the Company is in İstanbul and the total number of personnel employed in the Company as of 31 December 2008 is 72 (31 December 2007: 64). The Company is registered in Turkey at the following address:

Büyükdere Cad. Büyükdere 195 Plaza Kat:7
34394 Levent/İstanbul

The Company has authority certificates for portfolio management, purchase and sale of derivative instruments, investment consultancy, purchase and sale intermediation, marketable securities repurchase ("repo") and resale ("reverse repo") agreements and for intermediation in public offerings.

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

A. BASIS OF PRESENTATION

Accounting Standards

The Capital Markets Board of Turkey ("CMB") regulated the principles and procedures of preparation, presentation and announcement of financial statements prepared by the entities with the Communiqué No: XI-29, "Principles of Financial Reporting in Capital Markets" ("the Communiqué"). This Communiqué is effective for the annual periods starting from 1 January 2008 and supersedes the Communiqué No: XI-25, "The Financial Reporting Standards in the Capital Markets". According to the Communiqué, entities shall prepare their financial statements in accordance with International Financial Reporting Standards ("IAS/IFRS") endorsed by the European Union. Until the differences of the IAS/IFRS as endorsed by the European Union from the ones issued by the International Accounting Standards Board ("IASB") are announced by Turkish Accounting Standards Board ("TASB"), IAS/IFRS issued by the IASB shall be applied. Accordingly, Turkish Accounting Standards/Turkish Financial Reporting Standards ("TAS/TFRS") issued by the TASB which are in line with the aforementioned standards shall be considered.

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

With the decision taken on 17 March 2005, the CMB announced that, effective from 1 January 2005, for companies operating in Turkey and preparing their financial statements in accordance with CMB Financial Reporting Standards, the application of inflation accounting is no longer required. Accordingly, IAS 29, "Financial Reporting in Hyperinflationary Economies", issued by the IASB, has not been applied in the financial statements for the accounting periods starting 1 January 2005.

As the differences of the IAS/IFRS endorsed by the European Union from the ones issued by the IASB have not been announced by TASB as of the date of preparation of these financial statements, the financial statements have been prepared within the framework of Communiqué XI, No: 29 and related promulgations to this Communiqué as issued by the CMB in accordance with the accounting and reporting principles accepted by the CMB ("CMB Financial Reporting Standards") which are based on IAS/IFRS. The financial statements and the related notes to them are presented in accordance with the formats required by the CMB, with the announcement dated 14 April 2008, including the compulsory disclosures. Accordingly, required reclassifications have been made in the comparative financial statements.

These financial statements, except for financial assets and liabilities expressed at fair values, are based on the statutory records, which are maintained under historical cost conversion, with the required adjustments and reclassifications reflected within the framework of Communiqué XI, No: 29 "Financial Reporting Standards in the Capital Markets" and in TL.

Comparative Figures and the Reclassification to the Financial Statements of the Prior Period

The Company complies with the principles and articles of valid commercial laws and regulations and Communiqués announced by CMB in the accounting records and the preparation of the financial statements.

In order to determine the financial status and performance trends, the financial statements of the Company have been prepared in comparison with the financial statements of previous periods. The Company prepared its balance sheet as of 31 December 2008 in comparison with the balance sheet prepared as of 31 December 2007; prepared the statement of income, statement of changes in shareholders' equity and cash flow statement between 1 January - 31 December 2008 in comparison with 1 January - 31 December 2007.

The financial statements as of 31 December 2008 and 31 December 2007, and the financial statements for the period ended 31 December 2008 and 31 December 2007 have been prepared in accordance with the Communiqué XI, No: 29 "Financial Reporting Standards in the Capital Markets" announced at 9 April 2008. The reclassifications presented on the below statement made to the balance sheet prepared at 31 December 2007 in accordance with the Communiqué XI No: 25 "The Accounting Standards in the Capital Markets" in order to conform to changes in presentation in the current period's financial statements.

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

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

	(Communiqué XI, No: 25) 31 December 2007	Reclassifications	(Communiqué XI, No: 29) 31 December 2007
ASSETS			
Current Assets	**72.238.197**		**71.952.590**
Cash and Cash Equivalents	47.792.208	2.369.731	50.161.939
Financial Investments	11.746.433	(2.369.731)	9.376.702
Trade Receivables	11.104.200	(3.944)	11.100.256
Due from Related Parties	22.122	(22.122)	-
Other Receivables	980.508	22.122	1.002.630
Other Current Assets	592.726	(281.663)	311.063
Non-Current Assets	**2.920.131**		**3.205.738**
Trade Receivables	1.376.211	(1.376.211)	-
Other Receivables	-	1.380.155	1.380.155
Financial Investments	8.480	-	8.480
Property and Equipment (net)	604.385	-	604.385
Intangible Assets (net)	111.971	-	111.971
Deferred Tax Assets	819.084	-	819.084
Other Non-Current Assets	-	281.663	281.663
Total Assets	**75.158.328**		**75.158.328**
LIABILITIES			
Current Liabilities	**19.551.121**		**19.719.137**
Financial Liabilities	65.430	-	65.430
Trade Payables	10.586.054	17.524	10.603.578
Due to Related Parties	18.738	(18.738)	-
Other Payables	-	1.770.565	1.770.565
Current Income Tax Liabilities	-	2.582.328	2.582.328
Provisions	7.035.022	(2.414.312)	4.620.710
Other Current Liabilities	1.845.877	(1.769.351)	76.526
Non-Current Liabilities	**457.136**		**289.120**
Financial Liabilities	115.243	-	115.243
Provisions for Employee Benefits	-	173.877	173.877
Provisions	341.893	(341.893)	-
SHAREHOLDERS' EQUITY	**55.150.071**		**55.150.071**
Share Capital	8.450.000	-	8.450.000
Adjustment to Share Capital	25.696.782	(341.190)	25.355.592
Revaluation Fund	7.198	-	7.198
Restricted Reserves	2.271.065	-	2.271.065
Extraordinary Reserves	25.447.940	(25.447.940)	-
Special Reserves	3.535	(3.535)	-
Retained Earnings	(22.881.970)	25.792.665	2.910.695
Net Income for the Period	16.155.521	-	16.155.521
Total Liabilities and Shareholders' Equity	**75.158.328**		**75.158.328**

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

Presentation Currency

In accordance with the Article 1 of the Law numbered 5083 concerning the "Currency of the Republic of Turkey" and according to the Decision of The Council of Ministers dated April 4, 2007 and No: 2007/11963, the prefix "New" used in the New Turkish Lira ("YTL") and the New Kuruş ("YKr") will be removed as of January 1, 2009. When the prior currency, YTL and YKr, values are converted into TL and Kr, one YTL (YTL1) and one YKr (YKr1) shall be equivalent to one TL (TL1) and one Kr (Kr1).

All references made to New Turkish Lira or Lira in laws, other legislation, administrative transactions, court decisions, legal transactions, negotiable instruments and other documents that produce legal effects as well as payment and exchange instruments shall be considered to have been made to TL at the conversion rate indicated above. Consequently, effective from 1 January 2009, the TL replaces the YTL as a unit of account in keeping and presenting of books, accounts and financial statements.

Offsetting

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

Adoption of New or Revised International Financial Reporting Standards and Interpretations

The Company adopted the standards, amendments and interpretations published by the IASB and International Financial Reporting Interpretation Committee ("IFRIC") and which are mandatory for the accounting periods beginning on or after 1 January 2008.

The following standards, amendments and interpretations to published standards are mandatory for accounting periods beginning on or after 1 January 2008 but they are not relevant to the Company's operations

- IFRIC 11, *"IFRS 2 - Group and Treasury Share Transactions"* (effective for annual periods beginning on or after 1 March 2007.)
- IFRIC 12, "Service Concession Arrangements" (effective for annual periods beginning on or after 1 January 2008.)
- IFRIC 13, "Customer Loyalty Programmes" (effective for annual periods beginning on or after 1 July 2008.)
- IFRIC 14, "IAS 19-The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction" (effective for annual periods beginning on or after 1 January 2008.)
- IFRIC 16, "Hedges of a Net Investment in a Foreign Operation" (effective for annual periods beginning on or after 1 November 2008.)

Standards, amendments and interpretations to existing standards that are not mandatory and early adopted by the Company

Standards and interpretations which are mandatory for the accounting periods beginning on or after 1 January 2009:

- IAS 1, "Presentation of Financial Statements" significant changes in comprehensive income statements;

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

- IAS 23, "(Revised) Borrowing Costs" significant changes removing the option to expense borrowing costs;
- IAS 27, "Consolidated and Separate Financial Statements" Change in cost of investment in the first time adoption of IFRSs;
- IAS 28, "Investments in Associates";
- IAS 32, "Financial Instruments-Presentation" Change in the disclosure of puttable financial instruments and obligations arising on liquidation;
- IAS 39, "Financial Instruments: Recognition and Measurement" Changes in hedging instruments;
- IAS 40, "Investment Property";
- IFRS 1, "First-time Adoption of International Financial Reporting Standards" Change in cost of investment in the first time adoption of IFRSs;
- IFRS 2, "Share based Payments";
- IFRS 8, " Operating Segments";
- IFRIC 15, "Agreements for the Construction of Real Estate".

Standards and interpretations which are mandatory for the accounting periods beginning on or after 1 July 2009:

- IAS 27, "Consolidated and Separate Financial Statements";
- IAS 31, "Interests in Joint Ventures"
- IFRS 3, "Business Combinations";
- IFRS 5, "Non-current Assets Held for Sale and Discontinued Operations".

The Company management does not foresee any material impact of adoption of the aforementioned standards and interpretations on the financial statements of the Company in the upcoming periods.

B. CHANGES IN ACCOUNTING POLICIES

Significant changes in accounting policies or material errors are corrected, retrospectively; by restating the prior period financial statements. The Company applied the Communiqué XI, No: 29 regulated by CMB effective from 1 January 2008. Within this scope, the comparative financial figures are reclassified and presented. The application of the Communiqué XI, No: 29 caused no significant change in the accounting policies of the Company.

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

C. 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 are not changed for the 1 January - 31 December 2008 period.

D. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

(a) Revenue

(i) Fee and commission income and expenses

Fees and commissions are recorded as income or expense at the time the transactions to which they relate are made. Furthermore fund management, investment consulting fees, intermediary commissions and portfolio management commissions are recognized on an accrual basis.

(ii) Interest income and expense

Interest income and expenses are recognized in the income statement in the period to which they relate on an accrual basis. Interest income includes coupons earned on fixed income investment securities and amortization of discounts on government bonds.

(b) Property and equipment

All property and equipment are carried at cost less depreciation (Note 9).

Depreciation is calculated on property and equipment using the straight-line method over their estimated useful lives as follows:

Furniture and fixtures	5 years
Leasehold improvements	5 years
Motor vehicles	5 years

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and impairments are recognized in the income statement.

Gains and losses on the disposal of property and equipment are determined in reference to their carrying amounts and are taken into account in determining operating profit.

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

(c) Intangible assets

Intangible assets comprise acquired computer software. They are recorded at acquisition cost and amortized on a straight-line basis over their estimated economic lives for a period not exceeding five years from the date of acquisition (Note 10).

Where an indication of impairment exists, the carrying amount of any intangible asset is assessed and written down immediately to its recoverable amount.

(d) Financial instruments

(i) Trading securities

Trading securities are securities which were either acquired for generating a profit from short-term fluctuations in price or a dealer's margin, or are securities included in a portfolio in which a pattern of short-term profit making exists.

Trading securities are initially recognized at cost and are subsequently re-measured at fair value.

In assessing the fair value of the trading securities, the best bid price as of the balance sheet date is used.

All related realized and unrealized gains and losses, dividends received and interest earned whilst holding trading securities is reported as "Financial income" or "Financial expenses".

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.

(ii) Investment securities

Investment securities intended to be held for an indefinite period of time, which may be sold in response to needs for liquidity or changes in interest rates, exchange rates or equity prices, are classified as available-for-sale. Management determines the appropriate classification of its investments at the time of the purchase.

Available-for-sale securities are initially recognized at cost. Available-for-sale investment debt and equity securities are subsequently measured at fair value, or amounts derived from cash flow models. Unrealized gains and losses arising from changes in the fair value of securities classified as available-for-sale are recognized in the shareholders' equity, unless there is a permanent decline in the fair values of such assets, in which case they are charged to the income statement. When the securities are disposed of or impaired, the related accumulated fair value adjustments are transferred to the income statement.

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

Investment securities with fixed maturity where management has both the intent and the ability to hold to maturity are classified as held-to-maturity. Held-to-maturity investments are carried at amortized cost using the effective yield method, less any provision for impairment.

Interest earned whilst holding investment securities is reported as interest income. The dividends receivable is included separately in dividend income when a dividend is declared.

All purchases and sales of investment securities are recognized at the settlement date, which is the date that the asset is delivered to/from the Company.

(iii) Sale and repurchase agreements

Securities sold under sale and repurchase agreements ('repos') are retained in the financial statements and the counterparty liability is recorded as due to customers. Securities purchased under agreements to resell ("reverse repos") are recorded as reverse repo receivables on the cash and due from banks account, together with the difference between the sale and repurchase price, which is accrued evenly over the life of the agreement using the effective yield method.

(e) Foreign exchange transactions

Transactions denominated in foreign currencies are accounted for at the exchange rates prevailing at the date of the transactions and monetary assets and liabilities denominated in foreign currencies translated by using year-end exchange rates of Central Bank of the Republic of Turkey's bid rates. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement.

(f) Earnings per share

Earnings per share disclosed in these statements of income are determined by dividing net profit by the weighted average number of shares that have been outstanding during the year concerned (Note 21).

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 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

(g) 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 25).

(h) Finance leases - as lessee

Assets acquired under finance lease agreements are capitalized at the inception of the lease at the lower of the fair value of the leased property or the present value of the minimum lease payment. Leased assets are included in the property and equipment and depreciation on the leased asset is charged to income on a straight-line basis over the useful life of the asset. Lease payments are treated as comprising of capital and interest elements; the capital element is treated as reducing the capitalized obligation under the lease, which is classified as the lease obligation, and the interest element is charged to income (Note 6).

(i) Related parties

For the purpose of these financial statements, the shareholders, key management personnel and Board members, in each case together with companies controlled by or affiliated with them are considered and referred to as related parties (Note 22).

(j) Deferred tax

Deferred income tax is provided, using the liability method, for all temporary differences arising between the tax base of assets and liabilities and their carrying values for financial reporting purposes. Currently enacted tax rates are used to determine deferred income taxes.

Deferred tax liabilities are recognized for all taxable temporary differences, whereas deferred tax assets resulting from deductible temporary differences are recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary difference can be utilized (Note 20).

(k) Employment termination benefits

Employment termination benefits, as required by the Turkish Labor 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 (Note 12).

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

(l) Reporting of cash flows

For the purposes of cash flows statement, cash and cash equivalents include cash due from banks, trading and available-for-sale securities with original maturity periods of less than three months (Note 4).

(m) Provision, commitments and contingent liabilities

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

Possible assets or obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company are not included in the financial statements and treated as contingent assets or liabilities (Note 11).

(n) Taxation on Corporate Income

Corporate tax is calculated according to the Tax Procedural Law, and tax expenses except corporate tax are recognized in operating expenses (Note 20).

(o) Impairment of assets

Assets, except for financial assets, are subject to tests for indicators of impairment. If the carrying value of an asset is greater than its recoverable value then a provision for impairment is recognized. Net recoverable value is the higher of the net sales value or value in use. Value in use of an asset is estimated as the total of projected future cash inflows and salvage value at the end of the useful life of the asset.

E. SIGNIFICANT ACCOUNTING ESTIMATES AND ASSUMPTIONS

Preparation of financial statements requires the usage of estimations and assumptions which may affect the reported amounts of assets and liabilities as of the balance sheet date, disclosure of contingent assets and liabilities and reported amounts of income and expenses during financial period. Although the estimations and assumptions are based on the best estimates of the management's existing incidents and operations, they may differ from the actual results.

NOTE 3 - SEGMENT REPORTING

The Company does not prepare segment reporting since it performs its activities in Turkey and only in intermediary services sector.

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

NOTE 4 - CASH AND CASH EQUIVALENTS

	31 December 2008	31 December 2007
Cash	2.885	11.868
Fund shares (*)	1.133.875	2.369.731
Demand deposits (**)	312.385	7.905.065
	1.449.145	**10.286.664**
Time deposits	79.743.718	39.875.275
Total cash and receivables from banks	**81.192.863**	**50.161.939**

(*) Fund shares include TL1.133.875 (31 December 2007: TL2.369.731) of B type fund shares that belong to customers but which are kept in the Company's own accounts.

(**) Demand deposits includes TL77.424 (31 December 2007: TL7.515.052) of bank deposit that belong to customers but which are kept in the Company's own accounts.

As of 31 December 2008 time deposits in TL have a weighted average interest of 20% (31 December 2007: 16%), and foreign currency time deposits are all in US$ and have a weighted average interest rate of 5% (31 December 2007: 5%).

Cash and cash equivalents amounting to TL79.981.564 (31 December 2007: TL40.277.156) includes cash, demand deposits and time deposits with less than three months maturity.

NOTE 5 - FINANCIAL INVESTMENTS

Short term financial investments:	**31 December 2008**	**31 December 2007**
Financial assets at fair value through profit or loss		
Government bonds and treasury bills	4.795.072	7.099.638
Shares certificates	109.158	-
Corporate bonds	-	2.277.064
	4.904.230	**9.376.702**

As of 31 December 2008 the securities portfolio include government bonds amounting to TL3.417.178 (31 December 2007: TL6.672.868) with a nominal value of TL3.100.000 (31 December 2007: TL6.380.000) that are given as collateral to comply with the guarantee and blockage commitments required by the Istanbul Stock Exchange ("ISE"), CMB and Turkish Derivatives Exchange ("TDE").

The securities portfolio has a weighted average interest of 19,33% (31 December 2007: 17,55%).

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

NOTE 5 - FINANCIAL INVESTMENTS (Continued)

	31 December 2008	31 December 2007
Long term financial investments:		
Available-for-sale financial assets		
İMKB Takas ve Saklama Bankası A.Ş.	8.480	8.480
	8.480	**8.480**

NOTE 6 - FINANCIAL LIABILITIES

	31 December 2008	31 December 2007
Short term financial lease obligations:		
Within 1 year	101.197	77.576
Less: Future finance charges on financial lease	(8.775)	(12.146)
	92.422	**65.430**

Long term financial lease obligations:		
1 to 2 years	59.064	77.576
2 to 5 years	458	45.628
Less: Future finance charges on financial lease	(1.609)	(7.961)
	57.913	**115.243**

NOTE 7 - TRADE RECEIVABLES AND PAYABLES

	31 December 2008	31 December 2007
Short term trade receivables:		
Consultancy fee accrual	268.515	317.737
Advances given	94.759	128.823
Service fee income accrual	65.826	147.775
Commission income accrual	58.140	231.978
Due from customers	1.975	10.273.943
Doubtful trade receivables	3.025.946	3.025.946
Allowance for doubtful receivables (-)	(3.025.946)	(3.025.946)
	489.215	**11.100.256**

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

NOTE 7 - TRADE RECEIVABLES AND PAYABLES (Continued)

Short term trade payables:	31 December 2008	31 December 2007
Due to customers (*)	1.211.299	9.884.783
Short term other trade payables	266.854	718.795
	1.478.153	**10.603.578**

(*) Due to customers includes TL77.424 (31 December 2007: TL7.515.052) of bank deposits and TL1.133.875 (31 December 2007: TL2.369.731) of B Type fund shares that belong to customers but which are kept in the Company's own accounts.

NOTE 8 - OTHER RECEIVABLES AND PAYABLES

Other short term receivables:	31 December 2008	31 December 2007
Receivables from Turkish Derivatives Exchange	715.539	980.508
Advances given to personnel	1.561	22.122
Other	4.571	-
	721.671	**1.002.630**
Other long term receivables:		
Deposits and guarantees given	959.970	1.380.155
	959.970	**1.380.155**
Other short term payables:		
Taxes and duties payable	801.459	1.769.351
Payables to personnel	90	1.214
	801.549	**1.770.565**

NOTE 9 - PROPERTY AND EQUIPMENT

31 December 2007	Motor Vehicles	Furniture and Fixtures	Total
Net book value, 1 January 2007	-	84.013	84.013
Additions	304.767	261.968	566.735
Depreciation charge (-)	12.008	34.355	46.363
Net book value	**292.759**	**311.626**	**604.385**

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

NOTE 9 - PROPERTY AND EQUIPMENT (Continued)

31 December 2007	**Motor Vehicles**	**Furniture and Fixtures**	**Total**
Cost	304.767	1.006.591	1.311.358
Accumulated depreciation (-)	12.008	694.965	706.973
Net book value	**292.759**	**311.626**	**604.385**
31 December 2008			
Net book value, 1 January 2008	292.759	311.626	604.385
Additions	157.102	153.904	311.006
Disposals, (net) (-)	141.444	-	141.444
Depreciation charge (-)	60.562	90.492	151.054
Net book value	**247.855**	**375.038**	**622.893**
31 December 2008			
Cost	281.302	1.078.213	1.359.515
Accumulated depreciation (-)	33.447	703.175	736.622
Net book value	**247.855**	**375.038**	**622.893**

The net book values of property and equipment approximate their fair values.

NOTE 10 - INTANGIBLE ASSETS

	1 January 2007	**Additions**	**Disposals**	**31 December 2007**
Cost	194.571	101.833	-	296.404
Accumulated amortization (-)	163.751	20.682	-	184.433
Net book value	**30.820**	**81.151**	**-**	**111.971**

	1 January 2008	**Additions**	**Disposals**	**31 December 2008**
Cost	296.404	137.126	-	433.530
Accumulated amortization (-)	184.433	39.678	-	224.111
Net book value	**111.971**	**97.448**	**-**	**209.419**

The net book values of intangible assets approximate their fair values.

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

NOTE 11 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

Provisions

	31 December 2008	31 December 2007
Short-term provisions:		
Personnel bonus provision	6.000.000	3.700.000
Unused vacation provision	298.593	168.016
Provision for legal penalty (*)	-	752.694
	6.298.593	**4.620.710**

The letters of guarantees given to third parties are as follows:

	31 December 2008	31 December 2007
Letters of guarantees given	119.395.400	70.278.300
	119.395.400	**70.278.300**

In addition, as of 31 December 2008 the Company held share certificates with nominal value of TL75.561.286 (31 December 2007: TL46.548.239) and 103.425 future contracts (31 December 2007: 68.149) in custody for its customers.

NOTE 12 - PROVISION FOR EMPLOYEE BENEFITS

	31 December 2008	31 December 2007
Provision for employment termination benefits	240.827	173.877
	240.827	**173.877**

The provision for employment termination benefits is reserved in line with the explanations below:

Under the Turkish Labor 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) and reaches the retirement age (58 for women and 60 for men). Since the legislation was changed on 23 May 2002, there are certain transitional provisions relating to length of service prior to retirement.

The amount payable consists of one month's salary limited to a maximum of TL2.173 (31 December 2007: TL2.030) for each period of service at 31 December 2008.

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.

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

NOTE 12 - PROVISION FOR EMPLOYEE BENEFITS (Continued)

IAS 19 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 2008	31 December 2007
Discount rate (%)	6,26	5,71
Turnover rate to estimate the probability of retirement (%)	100	100

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.

Movements in the reserve for employment termination benefits during the current year are as follows:

	31 December 2008	31 December 2007
Balance of 1 January	173.877	74.243
Service cost	15.290	4.818
Interest cost	10.885	4.239
Charge for the year	40.775	90.577
	240.827	**173.877**

NOTE 13 - OTHER ASSETS AND LIABILITIES

	31 December 2008	31 December 2007
Other current assets:		
Prepaid taxes and duties	1.020.842	311.063
Prepaid expenses	769.902	-
	1.790.744	**311.063**
Other non-current assets:		
Prepaid expenses	-	281.663
	-	**281.663**
Other current liabilities:		
Expense accruals	228.999	76.526
	228.999	**76.526**

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

NOTE 14 - SHAREHOLDER'S EQUITY

Share Capital

The share capital of the Company is TL8.450.000 (31 December 2007: TL8.450.000) and consists of 845.000.000 (31 December 2007: 845.000.000) authorized shares with a nominal value of 1 Kr each.

At 31 December 2008 and 31 December 2007 the issued and fully paid-in share capital held is as follows:

	31 December 2008		31 December 2007	
Shareholders	**TL**	**Share %**	**TL**	**Share %**
Eurobank Tekfen A.Ş.	8.449.999,96	100	8.449.999,96	100
Other	0,04	-	0,04	-
	8.450.000	**100**	**8.450.000**	**100**
Adjustment to share capital	25.355.592		25.355.592	
Total paid-in share capital	**33.805.592**		**33.805.592**	

Adjustment to share capital represents the restatement effect of cash and cash equivalent contributions to share capital due to the inflation adjustments.

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 CMB Financial Reporting Standards these amounts that mentioned above shall be classified in "Restricted Reserves". As of 31 December 2008 restricted reserve of the Company is TL3.408.187 (31 December 2007: TL2.271.065).

In accordance with the CMB regulations effective until 1 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.

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

NOTE 14 - SHAREHOLDER'S EQUITY (Continued)

Under the resolution of General Assembly dated 13 June 2008 and published in the Official Gazette numbered 7089 on 23 June 2008, after legal reserves allocation the remaining profit from the operations of year 2007 will not be distributed but eliminated from "accumulated deficit", and the remaining amount of the accumulated deficit will be eliminated from extraordinary reserves and legal reserves in turn. Based on this resolution, the Company eliminated accumulated deficit in its statutory records amounting to TL21.200.931, first from profits from the operations of 2007 TL16.977.305, then from the extraordinary reserves TL4.203.626.

In addition, in accordance with the CMB regulations effective until 1 January 2008, "Capital, Emission Premiums, Legal Reserves, Special Reserves and Extraordinary Reserves" were recorded at their statutory carrying amounts and the inflation adjustment differences related to such accounts were recorded under "equity inflation adjustment differences" at the initial application of inflation accounting. "Equity inflation adjustment differences" could be utilised at bonus capital increases and offsetting accumulated losses, carrying amount of extraordinary reserves could be utilised in bonus capital increases, cash dividend distribution and offsetting accumulated losses.

In accordance with the Communiqué Serial: XI, No: 29 which became effective as of 1 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 not yet been transferred to capital 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.

Restricted Reserves

	31 December 2008	**31 December 2007**
First legal reserves	3.406.787	2.269.665
Second legal reserves	1.400	1.400
Restricted reserves	**3.408.187**	**2.271.065**

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

NOTE 14 - SHAREHOLDER'S EQUITY (Continued)

In accordance with the decision of Capital Markets Board on 8 February 2008 number 4/138 the minimum profit distribution ratio shall be applied as 20% (31 December 2007: 20%) in relation to publicly-listed joint stock partnerships as of 1 January 2008. Accordingly, it has been made possible that shares, issued in cash or through the addition of dividend to the capital upon the decision of the Company's general assembly, can be distributed to the partners free of charge or that the distribution can be partly made in cash and partly through the free distribution of shares. It has been further enabled that initial dividend amount be left to the partnership without distribution, if such amount is lower than the 5% of the existing paid-up/issued capital amount. Nevertheless, with regard to the joint stock partnerships, which have increased its capital without performing a dividend distribution as to the previous period and which separates its shares as "new" and "old", it has been made obligatory for those partnerships, which will distribute dividend out of its 2008 profits, to distribute the initial dividend amount in cash.

Additionally, pursuant to CMB decision with no 7/242 and dated 25 February 2005, the whole amount of the profit distribution amount, which is calculated over the net distributable profit, determined according to the CMB regulations, in accordance with the CMB regulations regarding minimum profit distribution liability, shall be distributed, if all of this amount can be covered by the distributable profit included in the legal records; on the other hand, if the whole of this amount cannot be met, the whole of the net distributable profit included in the legal records shall be distributed. In case period losses exist in the financial statements, prepared according to the CMB regulations, and in any one of the legal records, profit distribution shall not be performed.

As of 31 December 2008 and 31 December 2007 revaluation fund is as follows;

	31 December 2008	31 December 2007
Revaluation fund for financial assets	7.198	7.198
	7.198	**7.198**

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

NOTE 15 - SALES AND COST OF SALES

	31 December 2008	31 December 2007
Sales	**315.154.034**	**800.504.156**
Equity share sales	57.206.295	536.997.482
Future contract sales	257.447.516	262.967.107
Government bonds and treasury bills sales	500.223	500.216
Mutual Fund sales	-	39.351
Services	**44.453.761**	**44.123.188**
Intermediary commissions on future contract transactions	20.370.162	13.580.473
Intermediary commissions on equity share transactions	19.411.715	27.011.804
Investment consultancy income	4.598.377	2.398.662
Public offering income	-	1.132.249
Mutual funds management fee income	73.507	-
Deductions from services income (-)	**469.192**	**525**
Commission returns (-)	469.192	525
Total sales revenue	**359.138.603**	**844.626.819**
Cost of sales (-)	**315.264.544**	**800.667.710**
Cost of equity share sales (-)	57.273.020	537.086.024
Cost of derivative contract sales (-)	257.491.524	263.042.380
Cost of government bonds and treasury bills sales (-)	500.000	500.000
Cost of mutual fund sales (-)	-	39.306
Net operating revenue	**43.874.059**	**43.959.109**

NOTE 16 - EXPENSES BY NATURE

General administrative expenses	31 December 2008	31 December 2007
Personnel expense	21.746.505	12.953.403
Accommodation, transportation and travel expenses	2.600.412	3.014.352
Communication expenses	916.946	614.082
Representation expenses	767.942	507.629
Sundry taxes and duties	757.009	453.277
Audit and consultancy fees	414.363	401.235
Rent expense	330.552	314.640
Amortization and depreciation expenses (Note 9 and 10)	190.732	67.045
Other	998.697	611.421
	28.723.158	**18.937.084**

Marketing expenses

Membership and subscription fees	2.329.627	1.534.959
	2.329.627	**1.534.959**

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

NOTE 17 - OTHER INCOME/EXPENSES

	31 December 2008	31 December 2007
Other operating income		
Custody commissions	1.835.097	1.081.391
Income from lawsuit receivables (*)	751.077	-
Income from sales of property and equipment	10.820	-
Other	25.709	6.986
	2.622.703	**1.088.377**

(*) Financial Crimes Investigation Board ("FCIB") has notified the Company on 29 January 2008 of an administrative fine of TL752,694 regarding non-compliance with the "Prevention of Laundering Proceeds of Crime Law" which has been paid by the Company. At 4 June 2008 the Third Criminal Court of Peace ruled in favor of the lawsuit filed by the Company to cancel the FCIB's administrative fine. At 5 August 2008 FCIB's objection has been refused and total amount of the fine has been paid back to the Company.

	31 December 2008	31 December 2007
Other operating expenses		
Customer transaction differences expense (net)	248.533	700.589
Disallowable expenses	50.641	65.672
Administrative fine expense	-	752.694
Other	-	794
	299.174	**1.519.749**

NOTE 18 - FINANCIAL INCOME

	31 December 2008	31 December 2007
Foreign exchange gain	7.724.600	11.791
Interest income from time deposits	6.862.865	2.056.389
Interest income from marketable securities	1.504.581	1.866.763
Other interest income	392.472	209.033
	16.484.518	**4.143.976**

NOTE 19 - FINANCIAL EXPENSES

	31 December 2008	31 December 2007
Letter of guarantees commission expenses	246.272	186.763
Foreign exchange expenses	161.062	6.451.334
Other interest and commission expenses	102.020	123.465
	509.354	**6.761.562**

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

NOTE 20 - TAX ASSETS AND LIABILITIES

	31 December 2008	31 December 2007
Corporate tax payable	6.528.832	4.608.024
Prepaid taxes	(3.749.925)	(2.025.696)
Tax liability, net	**2.778.907**	**2.582.328**
Current tax expense	6.528.832	4.608.024
Deferred tax income	(452.859)	(325.437)
	6.075.973	**4.282.587**

Expected income tax reconciliation using the Company's statutory tax rate:

	2008	2007
Profit before tax	31.119.967	20.438.108
Theoretical income tax at the applicable tax rate of 20%	6.223.993	4.087.622
Additions	10.128	195.098
Income exempt from taxation	(158.148)	(133)
Current year tax expense	**6.075.973**	**4.282.587**

Many clauses of Corporate Tax Law No.5520 which are valid starting from 1 January 2006, was taken into effect after being published in the Official Gazette dated 21 June 2006 No.26205. According to the New Tax Law, the corporate tax rate in Turkey is payable at the rate of 20% for 2008 (2007: 20%). The corporate tax rate is calculated on the total income of the Company after adjusting for certain disallowable expenses, exempt income and other allowances. No further tax is payable unless the profit is distributed.

Dividends paid to non-resident corporations, which have a place of business in Turkey or to resident corporations are not subject to withholding tax. Otherwise, dividends paid are subject to withholding tax at the rate of 15%. An increase in capital via issuing bonus shares is not considered as profit distribution and thus does not incur withholding tax.

Corporations are required to pay advance corporate tax quarterly at a rate of 20% on their corporate income. Advance tax is declared by the 14th and paid by the 17th day of the second month following each calendar quarter end. Advance tax paid by corporations which is for the current period is credited against the annual corporation tax calculated on their annual corporate income in the following year. Despite the offset, if there is temporary prepaid tax remaining, this balance can be refunded or used to offset any other financial liabilities to the government.

A 75% portion of the capital gains derived from the sale of equity investments and immovable properties held for at least two years is tax exempt, if such gains are added to paid-in capital or held in a special account under shareholder's equity for five years.

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

NOTE 20 - TAX ASSETS AND LIABILITIES (Continued)

Under the Turkish Corporate Tax Law, losses can be carried forward to offset against future taxable income for up to five years. Losses cannot be carried back to offset profits from previous periods.

In Turkey, there is no procedure for a final and definitive agreement on tax assessments. Tax returns are required to be filled and delivered to the related tax office until the evening of the 25th of the fourth month following the balance sheet date. Tax returns are open for five years from the beginning of the year following the date of filing during which period the tax authorities have the right to audit tax returns, and the related accounting records on which they are based, and may issue re-assessments based on their findings.

Deferred taxes

	31 December 2008	31 December 2007
Deferred tax assets	1.309.155	841.747
Deferred tax liabilities	(37.212)	(22.663)
Deferred tax assets, net	**1.271.943**	**819.084**

The Company recognizes deferred income tax assets and liabilities based upon temporary differences arising between its financial statements as reported for CMB Accounting Standards and its statutory tax financial statements.

Tax rates used for deferred tax assets and liabilities calculated on temporary differences that are expected to be realized or settled based on the taxable income in coming periods under the liability method is 20% (31 December 2007: 20%).

The breakdown of cumulative temporary differences and the related deferred tax assets and liabilities as of 31 December 2008 and 31 December 2007 calculated using the enacted tax rates, are as follows:

	31 December 2008		31 December 2007	
	Cumulative temporary difference	Deferred tax assets/ liabilities	Cumulative temporary difference	Deferred tax assets/ liabilities
Personnel bonus provision	6.000.000	1.200.000	3.700.000	740.000
Unused vacation provision	298.593	59.719	168.016	33.603
Reserve for employment termination benefits	240.827	48.165	173.877	34.776
Valuation difference on securities	6.356	1.271	4.932	986
Foreign currency valuation differences	-	-	161.910	32.382
Deferred tax assets		**1.309.155**		**841.747**
Difference between tax base and carrying value of tangible and intangible assets	183.674	36.735	113.313	22.663
Foreign currency valuation differences	2.386	477	-	-
Deferred tax liabilities		**37.212**		**22.663**
Deferred tax assets, net		**1.271.943**		**819.084**

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

NOTE 21 - EARNINGS PER SHARE

Earnings per share are calculated through division of net profit to weighted average number of shares.

	31 December 2008	31 December 2007
Profit attributable to equity holders of the Company	25.043.994	16.155.521
Weighted average number of ordinary shares in issue	845.000.000	845.000.000
Earnings per share (Kr)	**2,96**	**1,91**

NOTE 22 - BALANCES AND TRANSACTIONS WITH RELATED PARTIES

a) Balances with related parties at 31 December 2008 and 31 December 2007 are as follows:

	31 December 2008	31 December 2007
Deposits due from related parties:		
Eurobank Tekfen A.Ş.	67.954.736	3.479.358
	67.954.736	**3.479.358**
Due from related parties:		
Receivables from personnel	1.561	22.122
	1.561	**22.122**
Due to related parties:		
EFG Capital International Corp.	38.547	17.524
Payables to personnel	90	1.214
	38.637	**18.738**

b) As of 31 December 2008 and 31 December 2007 the interest and service income from related parties are as follows:

	31 December 2008	31 December 2007
Interest income from related parties:		
Eurobank Tekfen A.Ş.	4.795.860	-
	4.795.860	**-**
Service income from related parties:		
EFG Eurobank Securities S.A.	134.782	218.884
Eurobank Tekfen A.Ş. Mutual Funds	73.507	-
EFG Eurobank Ergasias S.A.	34.207	-
EFG Finansal Kiralama A.Ş.	13.735	-
Tekfen Holding A.Ş.	-	93.285
Eurobank Tekfen A.Ş.	-	88.954
	256.231	**401.123**

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

NOTE 22 - BALANCES AND TRANSACTIONS WITH RELATED PARTIES (Continued)

c) As of 31 December 2008 and 31 December 2007 the service expenses to related parties are as follows:

	31 December 2008	31 December 2007
Service expenses to related parties:		
EFG Eurobank Ergasias S.A.	236.578	131.928
EFG Capital International Corp.	140.466	177.608
EFG Audit & Consulting Services S.A.	-	77.084
EFG Eurobank Securities S.A.	-	34.489
	377.044	**421.109**

d) Salaries and other benefits paid to the Board of Directors and top management:

Total salaries and benefits paid to members of the Board of Directors, general manager, assistant general managers and other top management amount to TL4.469.813 (31 December 2007: TL2.196.700).

NOTE 23 - FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks, including the effects of changes in debt and equity market prices, foreign currency exchange rates and interest rates. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance of the Company.

i. Informations on credit risk

The Company's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables, estimated by the Company's management based on prior experience and the current economic environment.

	Trade Receivables		Other Receivables			
31 December 2008	**Related Parties**	**Other Parties**	**Related Parties**	**Other Parties**	**Bank Deposits(*)**	**Financial Investments**
Maximum credit risk exposure as of the financial statements date	**-**	**489.215**	**1.561**	**1.680.080**	**81.189.978**	**4.912.710**
Net book value of financial assets which are neither past due nor impaired	-	489.215	1.561	1.680.080	81.189.978	4.912.710
Net book value of impaired financial assets	-	-	-	-	-	-
- Past due financial assets (Gross)	-	3.025.946	-	-	-	-
- Impairment charge	-	3.025.946	-	-	-	-
- Collateralized portion of the net exposure	-	-	-	-	-	-

(*) Bank deposits include related party deposits from Eurobank Tekfen A.Ş. amounting to TL67.954.736.

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

NOTE 23 - FINANCIAL RISK MANAGEMENT (Continued)

31 December 2007	Trade Receivables Related Parties	Trade Receivables Other Parties	Other Receivables Related Parties	Other Receivables Other Parties	Bank Deposits(*)	Financial Investments
Maximum credit risk exposure as of the financial statements date	**-**	**11.100.256**	**22.122**	**2.360.663**	**50.150.071**	**9.385.182**
Net book value of financial assets which are neither past due nor impaired	-	11.100.256	22.122	2.360.663	50.150.071	9.385.182
Net book value of impaired financial assets	-	-	-	-	-	-
- Past due financial assets (Gross)	-	3.025.946	-	-	-	-
- Impairment charge	-	3.025.946	-	-	-	-
- Collateralized portion of the net exposure	-	-	-	-	-	-

(*) Bank deposits include related party deposits from Eurobank Tekfen A.Ş. amounting to TL3.479.358.

For the purposes of the table above, collaterals and other guarantees which increase the collectibility of the financial asset are not taken into account. As of 31 December 2008 all of the financial assets at fair value through profit or loss of the Company are government bonds and treasury bills issued by the Republic of Turkey Prime Ministry Undersecretariat of Treasury and has have been rated as "Ba3" by the Moody's, one of the global rating agencies.

ii. Informations on liquidity risk

Liquidity risk is the inability of the Company to match the net funding requirements with sufficient liquidity. 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 2008 and 2007.

	31 December 2008						
	Carrying value	Up to 1 month	1 to 3 months	3 months to 1 year	1 year to 5 years	Demand	Total of contractual cash outflows
Financial lease obligations	150.335	8.427	16.853	75.917	59.522	-	160.719
Trade payables	1.478.153	266.854	-	-	-	1.211.299	1.478.153
Other payables	801.549	801.549	-	-	-	-	801.549
Total Liabilities	**2.430.037**	**1.076.830**	**16.853**	**75.917**	**59.522**	**1.211.299**	**2.440.421**

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

NOTE 23 - FINANCIAL RISK MANAGEMENT (Continued)

	31 December 2007						
	Carrying value	Up to 1 month	1 to 3 months	3 months to 1 year	1 year to 5 years	Demand	Total of contractual cash outflows
Financial lease obligations	180.673	6.460	12.920	58.196	123.204	-	200.780
Trade payables	10.603.578	8.233.847	-	-	-	2.369.731	10.603.578
Other payables	1.770.565	1.770.565	-	-	-	-	1.770.565
Total Liabilities	**12.554.816**	**10.010.872**	**12.920**	**58.196**	**123.204**	**2.369.731**	**12.574.923**

iii. Information on market risk

Foreign currency risk

Assets and liabilities denominated in foreign currency held by the Company at 31 December 2008 and 31 December 2007 in original currency and total TL equivalents are as follows:

	31 December 2008				31 December 2007			
	TL Equivalent	USD	EUR	GBP	TL Equivalent	USD	EUR	GBP
Trade receivables	234.944	69.892	54.979	5.267	3.295.741	2.600.066	157.829	5.267
Financial assets	29.106.846	19.111.941	72.682	22.013	39.787.448	34.134.215	108.957	12.824
Total Assets	**29.341.790**	**19.181.833**	**127.661**	**27.280**	**43.083.189**	**36.734.281**	**266.786**	**18.091**
Trade payables	120.182	76.628	1.041	944	7.909.214	6.775.015	32.203	-
Financial liabilities	150.355	99.408	-	-	180.673	155.847	-	-
Total Liabilities	**270.517**	**176.036**	**1.041**	**944**	**8.089.887**	**6.930.862**	**32.203**	**-**

The table below shows the sensitivity of the Company to a 10% change in USD, EUR and GBP exchange rates. The amounts below represent the effect on income statement in the case of a 10% increase/decrease in USD, EUR and GBP against TL. In this analysis it was assumed that all other factors especially interest rates remains constant.

	31 December 2008	31 December 2007
USD	2.874.246	3.455.110
EUR	27.107	40.020
GBP	5.774	4.200
Total	**2.907.127**	**3.499.330**

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

NOTE 23 - FINANCIAL RISK MANAGEMENT (Continued)

Interest rate risk

The Company is exposed to interest rate risk through the impact of rate changes on interest bearing liabilities and assets. These exposures are managed by using natural hedges that arise from offsetting interest rate sensitive assets and liabilities.

	31 December 2008	31 December 2007
Financial instruments with fixed interest rates:		
Financial assets		
- Financial assets at fair value through profit/loss	-	4.547.114
Financial instruments with variable interest rates:		
Financial assets		
- Financial assets at fair value through profit/loss	4.795.072	4.829.588

The profit before tax of the Company from the financial asset valuation will increase by TL40.385 (31 December 2007: TL95.286) and decrease by TL39.683 (31 December 2007: TL93.209) in the case of a 1% decrease/increase in TL market interest rates with all other factors remaining constant as of 31 December 2008.

Share certificate price risk

All share certificates classified in the trading securities portfolio of the Company are traded on the Istanbul Stock Exchange ("ISE"). According to the analyses of the Company a 5% decrease / increase in the ISE index with all other factors remaining constant will increase/decrease the fair values of the equity shares in the Company's portfolio and the net income for the period by TL5.458 as of 31 December 2008.

iv. Share capital management

The Company's objectives when managing capital is to decrease the investment risk through portfolio diversification. The Company tries to provide returns for shareholders, preserve and increase 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, other financial institutions and modifies its portfolio strategy accordingly.

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

NOTE 24 - FINANCIAL INSTRUMENTS

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, judgment is necessarily required to interpret market data to estimate the fair value. Accordingly, the estimates presented herein are not necessarily indicative of the amounts the Company could realize 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:

Financial assets:

The fair values of certain financial assets carried at cost, including cash and due from banks, are considered to approximate their respective carrying values.

The fair values of financial assets designated at fair value through profit/loss, trading and available-for-sale securities are determined by reference to the market value.

Financial liabilities:

The fair value of monetary liabilities is considered to approximate their respective carrying values.

The fair values and carrying values of financial asset and liabilities of the Company are as follows:

	31 December 2008		**31 December 2007**	
	Fair value	**Carrying value**	**Fair value**	**Carrying value**
Cash and cash equivalents	81.192.863	81.192.863	50.161.939	50.161.939
Financial investments	4.912.710	4.912.710	9.385.182	9.385.182
Financial liabilities	150.335	150.335	180.673	180.673

NOTE 25 - SUBSEQUENT EVENTS

The Company launched two mutual funds each having TL100.000.000 fund value under the following titles; "EFG İstanbul Menkul Değerler A.Ş. A Tipi Değişken Aktif Fonu" and "EFG İstanbul Menkul Değerler A.Ş. A Tipi Hisse Model Portföy Fonu" and each having 10.000.000.000 units contribution margins registered by CMB and offered to public on 23 January 2009.

NOTE 26 - DISCLOSURE OF OTHER MATTERS

a) Convenience translation of financial statements originally issued in Turkish

The accounting principles described in Note 2 to the financial statements (defined as CMB Financial Reporting Standards) differ from International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board with respect to the application of inflation accounting for the period between 1 January - 31 December 2005. Accordingly, the financial statements are not intended to present the financial position and results of operations of the Company in accordance with IFRS.

b) Capital management and capital adequacy requirements

The Company describes and manages its capital in accordance with the Communiqué of Principles regarding Capital and Capital Adequacy of the Brokerage Companies, Serial: V No 34. In accordance with the said Communiqué, capital of the brokerage companies are the amounts representing the part of the net assets which is covered by the partnership, according to the financial statements prepared as of the valuation date. The initial capital amount that is required for intermediary activity is TL780.000 for the period ending 31 December 2008 (1 January - 31 December 2007: TL752.000). Furthermore, brokerage companies are required to increase their capital at the rates stated below for each type of capital market activity they conduct. Total capital requirement of the Company in this context is TL1.959.000 (31 December 2007: TL1.889.000)'dir.

a) 50% of the initial capital is required for public offering intermediary activities,

b) 50% of the initial capital is required for marketable security repurchase and resale activities,

c) 40% of the initial capital is required for portfolio management activities,

d) 10% of the initial capital is required for investment consultancy activities,

In accordance with the Article 4 of Communiqué Serial: V No 34, the capital adequacy bases of the brokerage companies represent the amounts calculated by deducting the net amounts of the tangible and intangible assets, financial assets net of the impairment provisions and capital commitments, and other assets excluding those listed in stock exchanges and other organized markets, unsecured receivables from the staff, shareholders, investments in associates, subsidiaries and people or entities directly or indirectly related to the firm in respect of capital, management and audit, even if they bear client status, and amounts of capital market instruments issued by these people and entities which are not listed in stock exchanges and other organized markets from the shareholders' equity.

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

NOTE 26 - DISCLOSURE OF OTHER MATTERS (Continued)

In accordance with article 8 of Communiqué Serial: V No 34 the Capital adequacy bases of brokerage companies cannot be lower than any of the following; minimum capital requirement according to the market activity they conduct as explained above, risk amount calculated in accordance with the stated Communiqué and operating expenses of the three months prior to the valuation date.

As of 31 December 2008 and 31 December 2007 the Company has met the relevant requirements of capital adequacy.

c) Fund management activity

The Company has been managing two mutual funds since 1 September 2008 in accordance with CMB regulations (2007: None) and charges fund management fee. As of 31 December 2008, total fund management fee income amounts to TL73.507 (2007: None).

The details of daily management fee commission rates and net assets values for each fund is as follows:

Fund Name	Commission Rate (%)	Fund Value
Eurobank Tekfen A.Ş. B Tipi Likit Fon	0,03125	13.761.822
Eurobank Tekfen A.Ş. B Tipi Değişken Fon	0,03125	293.764
Total Mutual Funds		**14.055.586**

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