EFG İSTANBUL MENKUL DEĞERLER A.Ş.

CONVENIENCE TRANSLATION INTO ENGLISH OF FINANCIAL STATEMENTS AT 31 DECEMBER 2009 TOGETHER WITH INDEPENDENT AUDITOR’S REPORT ORIGINALLY ISSUED IN TURKISH, SEE NOTE 28 (a)

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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 2009 and comprehensive income statement, statement of changes in shareholder's equity and statement of cash flows 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 judgment, 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 2009, 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
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Talar Gül, SMMM
Partner

İstanbul, 12 February 2010

CONTENTS **PAGE**

CONVENIENCE TRANSLATION INTO ENGLISH OF AUDITED BALANCE SHEETS AT 31 DECEMBER 2009 AND 31 DECEMBER 2008 ORIGINALLY ISSUED IN TURKISH, SEE NOTE 28 (a)

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

	Notes	31 December 2009	31 December 2008
ASSETS			
Current Assets		**109.084.281**	**88.077.881**
Cash and Cash Equivalents	4	88.317.098	81.192.863
Financial Investments	5	17.430.660	4.904.230
Trade Receivables	8	499.978	489.215
Other Receivables	9	2.154.430	721.671
Other Current Assets	15	682.115	769.902
Non-Current Assets		**6.114.009**	**3.072.705**
Other Receivables	9	1.930.203	959.970
Financial Investments	5	8.480	8.480
Property and Equipment (net)	10	3.243.326	622.893
Intangible Assets (net)	11	257.715	209.419
Deferred Tax Assets	22	674.285	1.271.943
Total Assets		**115.198.290**	**91.150.586**
LIABILITIES			
Current Liabilities		**22.179.571**	**10.657.781**
Financial Liabilities	6	15.212.885	92.422
Other Financial Liabilities	7	226	-
Trade Payables	8	2.374.628	1.478.153
Other Payables	9	1.013.966	801.549
Current Income Tax Liabilities	22	-	1.758.065
Provisions	12	3.463.019	6.298.593
Other Liabilities	15	114.847	228.999
Non-Current Liabilities		**315.163**	**298.740**
Financial Liabilities	6	420	57.913
Provisions for Employee Benefits	14	314.743	240.827
Equity		**92.703.556**	**80.194.065**
Share Capital	16	8.450.000	8.450.000
Adjustment to Share Capital	16	25.355.592	25.355.592
Revaluation Fund	16	7.198	7.198
Restricted Reserves	16	3.408.187	3.408.187
Retained Earnings		42.973.088	17.929.094
Net Income for the Period		12.509.491	25.043.994
Total Liabilities and Equity		**115.198.290**	**91.150.586**
Contingent Assets and Liabilities	12		

The financial statements for the period ended 31 December 2009 have been approved by the Board of Directors on 12 February 2010. General Assembly has the power to amend the financial statements.

CONVENIENCE TRANSLATION INTO ENGLISH OF AUDITED COMPREHENSIVE INCOME STATEMENTS FOR THE YEARS ENDED 31 DECEMBER 2009 AND 31 DECEMBER 2008 ORIGINALLY ISSUED IN TURKISH, SEE NOTE 28 (a)
(Amounts expressed in Turkish Lira ("TL") unless otherwise indicated.)

	Notes	31 December 2009	31 December 2008
Net Sales	17	1.133.517.626	360.973.700
Sales		1.103.387.611	315.154.034
Services Income		30.145.584	46.288.858
Deductions from Services Income (-)		15.569	469.192
Cost of Sales (-)	17	1.102.388.798	315.264.544
Gross Profit		**31.128.828**	**45.709.156**
Marketing, Selling and Distribution Expenses (-)	18	1.269.559	2.329.627
General Administrative Expenses (-)	18	22.697.152	28.723.158
Other Operating Income	19	125.642	787.606
Other Operating Expenses (-)	19	301.346	299.174
Operating Profit		**6.986.413**	**15.144.803**
Financial Income	20	9.532.560	16.484.518
Financial Expenses (-)	21	885.958	509.354
Profit before Tax		**15.633.015**	**31.119.967**
Tax Expense			
- Taxes on Income	22	2.525.866	6.528.832
- Deferred Tax (Expense)/Income	22	597.658	(452.859)
Profit for the Period		**12.509.491**	**25.043.994**
Other Comprehensive Income		-	-
Total Comprehensive Income		**12.509.491**	**25.043.994**
Earnings per Share (Kr)	**23**	**1,48**	**2,96**

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

CONVENIENCE TRANSLATION INTO ENGLISH OF AUDITED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE YEARS ENDED 31 DECEMBER 2009 AND 2008 ORIGINALLY ISSUED IN TURKISH, SEE NOTE 28 (a)

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

	Notes	Share Capital	Adjustment to Share Capital	Revaluation Fund	Restricted Reserves	Retained Earnings	Net Income for the Period	Total Shareholders' Equity
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	16	-	-	-	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**
1 January 2009		**8.450.000**	**25.355.592**	**7.198**	**3.408.187**	**17.929.094**	**25.043.994**	**80.194.065**
Transfer from retained earnings	16	-	-	-	-	25.043.994	(25.043.994)	-
Net income for the period		-	-	-	-	-	12.509.491	12.509.491
31 December 2009		**8.450.000**	**25.355.592**	**7.198**	**3.408.187**	**42.973.088**	**12.509.491**	**92.703.556**

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

CONVENIENCE TRANSLATION INTO ENGLISH OF AUDITED CASH FLOWS STATEMENTS AT 31 DECEMBER 2009 AND 31 DECEMBER 2008 ORIGINALLY ISSUED IN TURKISH, SEE NOTE 28 (a)

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

	Notes	31 December 2009	31 December 2008
Cash flows from operating activities:			
Net income for the period		12.509.491	25.043.994
Adjustments to reconcile net income to net cash from operating activities:			
Depreciation	10	410.231	151.054
Amortization	11	73.599	39.678
Provision for unused vacation	12	66.546	130.577
Provision for employment termination benefits	14	96.828	66.950
Payment of employment termination benefits	14	(22.912)	-
Provision for personnel bonus	12	3.000.000	6.000.000
Provision for corporate tax	22	3.123.524	6.075.973
Interest income, net		(9.105.182)	(8.415.411)
Interest paid		(322.395)	(303.761)
Interest received		8.442.415	8.908.347
Operating profit before changes in assets and liabilities:			
Net (increase)/decrease in marketable securities		(12.245.398)	5.519.153
Net (increase)/decrease in trade receivables		(1.443.522)	10.892.000
Net decrease in other assets		138.396	243.009
Net increase/(decrease) in trade payables		956.293	(1.687.797)
Net decrease in other liabilities and provisions		(5.507.729)	(6.290.079)
Taxes paid		(5.600.899)	(6.332.253)
Net increase in restricted deposits		(21.522.937)	-
Net cash (used in)/from operating activities		**(26.953.651)**	**40.041.434**
Cash flows used in investing activities:			
Purchase of property and equipment	10	(3.041.066)	(311.006)
Purchase of intangible assets	11	(121.895)	(137.126)
Sales of property and equipment, net	10	10.402	141.444
Net cash used in investing activities		**(3.152.559)**	**(306.688)**
Cash flows from/(used in) financing activities:			
Net decrease in financing leasing payables	6	(92.675)	(30.338)
Net increase in payables to Money Markets	6	15.155.645	-
Net increase in other financial liabilities	7	226	-
Net cash from/(used in) financing activities		**15.063.196**	**(30.338)**
Net (decrease)/increase in cash and cash equivalents		**(15.043.014)**	**39.704.408**
Cash and cash equivalents at the beginning of the period	4	79.981.564	40.277.156
Cash and cash equivalents at the end of the period	**4**	**64.938.550**	**79.981.564**

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 total number of personnel employed in the Company as of 31 December 2009 is 73 (31 December 2008: 72). The Company is registered in Turkey at the following address: Büyükdere Cad. Apa Giz Plaza no: 191 kat:9 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 2009 in comparison with the balance sheet prepared as of 31 December 2008; prepared the statement of income, statement of changes in shareholders' equity and cash flows statement between 1 January - 31 December 2009 in comparison with 1 January - 31 December 2008. As of 31 December 2008 prepaid taxes and duties amounting to TL1.020.842 classified in "Other asset and liabilities" is netted off from current income tax liabilities.

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.

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

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 2009.

New and changing standards adopted by the Company beginning on or after 2009:

- IFRS 7, 'Financial instruments – Disclosures' Amendment, the amendment requires enhanced disclosures about fair value measurement and liquidity risk. In particular, the amendment requires disclosure of fair value measurements by level of a fair value measurement hierarchy. As the change in accounting policy only results in additional disclosures, there is no impact on retained earnings.

- IAS 1, 'Presentation of financial statements' Amendment, the revised standard prohibits the presentation of items of income and expenses in the statement of changes in equity, requiring 'non-owner changes in equity' to be presented separately from owner changes in equity in a statement of comprehensive income. Comparative information has been re-presented so that it also is in conformity with the revised standard. As the change in accounting policy only impacts presentation aspects, there is no impact on retained earnings.

- IFRS 2, 'Share-based payment' revised, deals with vesting conditions and cancellations. It clarifies that vesting conditions are service conditions and performance conditions only. Other features of a share-based payment are not vesting conditions. These features would need to be included in the grant date fair value for transactions with employees and others providing similar services; they would not impact the number of awards expected to vest or valuation there of subsequent to grant date. All cancellations, whether by the entity or by other parties, should receive the same accounting treatment.

- IAS 23, "Borrowing costs", It requires an entity to capitalize borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset (one that takes a substantial period of time to get ready for use or sale) as part of the cost of that asset. The option of immediately expensing those borrowing costs will be removed. The Group has early adopted this amendment.

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

- IAS 40, 'Investment Property' property that is under construction or development for future use as investment property is brought within the scope of IAS 40. Where the fair value model is applied, such property is measured at fair value. However, where fair value of investment property under construction is not reliably determinable, the property is measured at cost until the earlier of the date construction is completed and the date at which fair value becomes reliably measurable.

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.

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

- IFRIC 17, 'Distributions of Non-cash Assets to Owners';
- IAS 27 (Amendment), 'Consolidated and Separate Financial Statements';
- IFRS 3 (Amendment), 'Business Combinations';
- IAS 38 (Amendment), 'Intangible Assets';
- IFRS 5 (Amendment), 'Non-current Assets Held for Sale and Discontinued Operations';
- IAS 1 (Amendment), 'Presentation of Financial Statements'; and
- IFRS 2 (Amendment), 'Share based Payments'.

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.

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 2009 period.

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

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 10).

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.

(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 11).

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

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

(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 flows 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.

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.

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

(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 23).

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.

(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 27).

(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).

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

(ı) 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 24).

(i) 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 22).

(j) 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 14).

(k) 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).

(l) 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 12).

(m) 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 22).

(n) Turkish Derivatives Exchange ("TurkDEX") operations

Margin amounts deposited to take position at TurkDEX are presented in other receivables. Gains or losses from the operations during the period are recorded in the income statement as other operating income / expenses. Open positions are valued by their market price. Gain and loss resulting from the valuation of open positions are presented in the other receivables after offsetting the paid commissions and interest income from the remaining margin amounts.

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

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

(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.

NOTE 4 - CASH AND CASH EQUIVALENTS

	31 December 2009	31 December 2008
Cash	5.274	2.885
Fund shares (*)	1.838.005	1.133.875
Demand deposits (**)	174.074	312.385
	2.017.353	**1.449.145**
Time deposits (***)	86.299.745	79.743.718
Total cash and receivables from banks	**88.317.098**	**81.192.863**

(*) Fund shares include TL1.838.005 (31 December 2008: TL1.133.875) of B type fund shares that belong to customers but which are kept in the Company's own accounts.

(**) Demand deposits includes TL17.606 (31 December 2008: TL77.424) of bank deposit that belong to customers but which are kept in the Company's own accounts.

(***) Time deposits include restricted deposits amounting to TL14.772.937 in Türkiye Garanti Bankası A.Ş. and TL6.750.000 in Alternatif Bank A.Ş. for guarantee letters received.

As of 31 December 2009 time deposits in TL have a weighted average interest of 9% (31 December 2008: 20%), and foreign currency time deposits are all in US$ and have a weighted average interest rate of 3% (31 December 2008: 5%).

Cash and cash equivalents amounting to TL64.938.550 (31 December 2008: TL79.981.564) includes cash, demand deposits and time deposits with less than three months maturity.

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

NOTE 5 - FINANCIAL INVESTMENTS

Short term financial investments:

	31 December 2009	31 December 2008
Financial assets at fair value through profit or loss		
Government bonds and treasury bills	14.904.016	4.795.072
Shares certificates	1.146.764	109.158
Mutual funds (*)	1.379.880	-
	17.430.660	**4.904.230**

(*) A Type Mutual Funds amounting to TL255.316 (31 December 2008: None) that belong to customers but which are kept in the Company's own accounts.

As of 31 December 2009 the securities portfolio include government bonds amounting to TL14.205.162 (31 December 2008: TL3.417.178) with a nominal value of TL11.559.000 (31 December 2008: TL3.100.000) that are given as collateral to comply with the guarantee and blockage commitments required by the Istanbul Stock Exchange ("ISE"), CMB, Money Market and Turkish Derivatives Exchange ("TurkDEX").

The securities portfolio has a weighted average interest of 5,68% (31 December 2008: 19,33%).

Long term financial investments:

	31 December 2009	31 December 2008
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 2009	31 December 2008
Short term financial liabilities:		
Payables to Money Markets (*)	15.155.645	-
Financial lease obligations	57.240	92.422
	15.212.885	**92.422**

(*) Payables to Money Markets have due dates shorter than 3 months and average interest rate is 7,25% (31 December 2008: None).

	31 December 2009	31 December 2008
Long term financial liabilities:		
Financial lease obligations	420	57.913
	420	**57.913**

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

NOTE 6 - FINANCIAL LIABILITIES (Continued)

The details of financial leasing obligations are as follows:

	31 December 2009	31 December 2008
Short term financial lease obligations:		
Within 1 year	58.806	101.197
Less: Future finance charges on financial lease	(1.566)	(8.775)
	57.240	**92.422**
Long term financial lease obligations:		
1 to 2 years	456	59.064
2 to 5 years	-	458
Less: Future finance charges on financial lease	(36)	(1.609)
	420	**57.913**

NOTE 7 - OTHER FİNANCIAL LIABILITIES

	31 December 2009	31 December 2008
Liabilities due to derivative instruments	226	-
	226	**-**

NOTE 8 - TRADE RECEIVABLES AND PAYABLES

	31 December 2009	31 December 2008
Short term trade receivables:		
Commission income accrual	213.819	58.140
Consultancy fee accrual	190.125	268.515
Service fee income accrual	59.966	65.826
Due from customers	30.414	1.975
Advances given	5.654	94.759
Doubtful trade receivables	3.025.946	3.025.946
Allowance for doubtful receivables (-)	(3.025.946)	(3.025.946)
	499.978	**489.215**

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

NOTE 8 - TRADE RECEIVABLES AND PAYABLES (Continued)

Short term trade payables:	**31 December 2009**	**31 December 2008**
Due to customers (*)	2.110.927	1.211.299
Short term other trade payables	263.701	266.854
	2.374.628	**1.478.153**

(*) Due to customers includes TL17.606 (31 December 2008: TL77.424) of bank deposits and TL2.093.321 (31 December 2008: TL1.133.875) of B Type fund shares that belong to customers but which are kept in the Company's own accounts.

NOTE 9 - OTHER RECEIVABLES AND PAYABLES

Other short term receivables:	**31 December 2009**	**31 December 2008**
Receivables from TurkDEX	2.109.023	715.539
Advances given to personnel	45.141	1.561
Receivables from share certificate lending transactions	266	-
Other	-	4.571
	2.154.430	**721.671**
Other long term receivables:		
Deposits and guarantees given	1.930.203	959.970
	1.930.203	**959.970**
Other short term payables:		
Taxes and duties payable	1.008.229	801.459
Payables to personnel	5.737	90
	1.013.966	**801.549**

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

NOTE 10 - PROPERTY AND EQUIPMENT

31 December 2008	Leasehold Assets	Motor Vehicles	Furniture and Fixtures	Total
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**
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**
31 December 2009				
Net book value, 1 January 2009	-	247.855	375.038	622.893
Additions	2.158.929	-	882.137	3.041.066
Disposals, (net) (-)	-	-	10.402	10.402
Depreciation charge (-)	125.939	56.260	228.032	410.231
Net book value	**2.032.990**	**191.595**	**1.018.741**	**3.243.326**
Cost	2.158.929	281.302	1.613.284	4.053.515
Accumulated depreciation (-)	125.939	89.707	594.543	810.189
Net book value	**2.032.990**	**191.595**	**1.018.741**	**3.243.326**

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

NOTE 11 - INTANGIBLE ASSETS

	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**

	1 January 2009	Additions	Disposals	31 December 2009
Cost	433.530	121.895	-	555.425
Accumulated amortization (-)	224.111	73.599	-	297.710
Net book value	**209.419**	**48.296**	**-**	**257.715**

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

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

NOTE 12 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

Provisions

	31 December 2009	**31 December 2008**
Short-term provisions:		
Personnel bonus provision	3.000.000	6.000.000
Unused vacation provision	365.139	298.593
Provision for lawsuits (*)	97.880	-
	3.463.019	**6.298.593**

(*) As of 31 December 2009 provision for lawsuits amounting to TL97.880 consists of provisions for two reemployment lawsuits.

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

	31 December 2009	**31 December 2008**
Letters of guarantees given	178.179.737	119.395.400
	178.179.737	**119.395.400**

In addition, as of 31 December 2009 the Company held share certificates with nominal value of TL81.404.336 (31 December 2008: TL75.561.286) and 83.618 future contracts (31 December 2008: 103.425) in custody for its customers.

NOTE 13 - COMMITMENTS

The commitments of the Company as of 31 December 2009 are as follows (31 December 2008: None):

Descriptions about forward transactions

	31 December 2009		**31 December 2008**	
Derivative instruments	**Asset**	**Liability**	**Asset**	**Liability**
Foreign currency forward contracts (*)	-	226	-	-
	-	**226**	**-**	**-**

(*) As of 31 December 2009 the fair values of the Company's foreign currency purchase commitment amounting to USD8.332 and sale commitment amounting to TL12.627 (Note 7).

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

NOTE 13 - COMMITMENTS (Continued)

Explanations related to derivative contracts

At 31 December 2009 and 2008 the open contracts details in TurkDEX are as follows:

31 December 2009

Contract name	Due date	Position	Nominal value	Settlement price	Fair value
111F_IX0300210	26.02.2010	Short	173	67,700	1.171.210
Net Position					**1.171.210**

31 December 2008

Contract name	Due date	Position	Nominal value	Settlement price	Fair value
111F_IX0300209	27.02.2009	Short	30	35,025	105.075
Net Position					**105.075**

NOTE 14 - PROVISION FOR EMPLOYEE BENEFITS

	31 December 2009	31 December 2008
Provision for employment termination benefits	314.743	240.827
	314.743	**240.827**

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 2008: TL2.173) for each period of service at 31 December 2009.

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 14 - 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 2009	**31 December 2008**
Discount rate (%)	5,92	6,26
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 2009	**31 December 2008**
Balance of 1 January	240.827	173.877
Service cost	55.704	15.290
Interest cost	25.668	10.885
Charge for the year	15.456	40.775
Paid during the period	(22.912)	-
	314.743	**240.827**

NOTE 15 - OTHER ASSETS AND LIABILITIES

Other current assets:	**31 December 2009**	**31 December 2008**
Prepaid expenses	360.767	769.902
Prepaid taxes and duties	296.126	-
Income accruals (*)	25.222	-
	682.115	**769.902**

(*) As of 31 December 2009 income accruals amounting to TL25.222 are due to marketable securities of the Company's own purchase and sale transactions.

Other current liabilities:	**31 December 2009**	**31 December 2008**
Expense accruals	114.847	228.999
	114.847	**228.999**

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

NOTE 16 - SHAREHOLDER'S EQUITY

Share Capital

The share capital of the Company is TL8.450.000 (31 December 2008: TL8.450.000) and consists of 845.000.000 (31 December 2008: 845.000.000) authorized shares with a nominal value of 1 Kr each.

At 31 December 2009 and 31 December 2008 the issued and fully paid-in share capital held is as follows:

	31 December 2009		31 December 2008	
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 2009 restricted reserve of the Company is TL3.408.187 (31 December 2008: TL3.408.187).

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 16 - 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 2009	31 December 2008
First legal reserves	3.406.787	3.406.787
Second legal reserves	1.400	1.400
Restricted reserves	**3.408.187**	**3.408.187**

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

NOTE 16 - 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 2008: 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 2009 and 31 December 2008 revaluation fund is as follows;

	31 December 2009	**31 December 2008**
Revaluation fund for financial assets	7.198	7.198
	7.198	**7.198**

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

NOTE 17 - SALES AND COST OF SALES

	31 December 2009	31 December 2008
Sales	**1.103.387.611**	**315.154.034**
Equity share sales	803.266.304	57.206.295
Future contract sales	300.121.307	257.447.516
Government bonds and treasury bills sales	-	500.223
Services	**30.145.584**	**46.288.858**
Intermediary commissions on equity share transactions	13.559.283	19.411.715
Intermediary commissions on future contract transactions	8.772.833	20.370.162
Investment consultancy income	6.568.698	4.598.377
Custody commissions	784.084	1.835.097
Mutual funds management fee income	388.302	73.507
Portfolio management income	54.544	-
Mutual funds intermediary commissions	17.840	-
Deductions from services income (-)	**15.569**	**469.192**
Commission returns (-)	15.569	469.192
Total sales revenue	**1.133.517.626**	**360.973.700**
Cost of sales (-)	**1.102.388.798**	**315.264.544**
Cost of equity share sales (-)	802.228.220	57.273.020
Cost of derivative contract sales (-)	300.160.578	257.491.524
Cost of government bonds and treasury bills sales (-)	-	500.000
Net operating revenue	**31.128.828**	**45.709.156**

NOTE 18 - EXPENSES BY NATURE

	31 December 2009	31 December 2008
General administrative expenses		
Personnel expense	16.295.985	21.746.505
Communication expenses	1.189.844	916.946
Accommodation, transportation and travel expenses	971.841	2.600.412
Rent expense	797.119	330.552
Sundry taxes and duties	706.745	757.009
Representation expenses	607.963	767.942
Audit and consultancy fees	594.669	414.363
Amortization and depreciation expenses (Note 10 and 11)	483.830	190.732
Architectural expenses	63.376	-
Other	985.780	998.697
	22.697.152	**28.723.158**
Marketing expenses		
Membership and subscription fees	1.269.559	2.329.627
	1.269.559	**2.329.627**

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

NOTE 19 - OTHER INCOME/EXPENSES

	31 December 2009	31 December 2008
Other operating income		
Income from sales of property and equipment	92.753	10.820
Income from lawsuit receivables	-	751.077
Other	32.889	25.709
	125.642	**787.606**
Other operating expenses		
Customer transaction differences expense (net)	148.908	248.533
Lawsuits provision expenses	97.880	-
Disallowable expenses	54.558	50.641
	301.346	**299.174**

NOTE 20 - FINANCIAL INCOME

	31 December 2009	31 December 2008
Interest income from time deposits	6.712.366	6.862.865
Interest income from marketable securities	2.503.897	1.504.581
Foreign exchange gain	74.930	7.724.600
Other interest income	241.367	392.472
	9.532.560	**16.484.518**

NOTE 21 - FINANCIAL EXPENSES

	31 December 2009	31 December 2008
Letter of guarantees commission expenses	294.840	246.272
Interest expenses to money markets	279.894	-
Foreign exchange expenses	239.382	161.062
Other interest and commission expenses	71.842	102.020
	885.958	**509.354**

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

NOTE 22 - TAX ASSETS AND LIABILITIES

	31 December 2009	31 December 2008
Corporate tax payable	2.522.455	6.528.832
Prepaid taxes	(2.818.581)	(4.770.767)
Tax (asset)/liability, net	**(296.126)**	**1.758.065**
Current tax expense	2.525.866	6.528.832
Deferred tax income	597.658	(452.859)
	3.123.524	**6.075.973**

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

	2009	2008
Profit before tax	15.633.015	31.119.967
Theoretical income tax at the applicable tax rate of 20%	3.126.603	6.223.993
Additions	12.210	10.128
Income exempt from taxation	(15.289)	(158.148)
Current year tax expense	**3.123.524**	**6.075.973**

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 22 - 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 2009	31 December 2008
Deferred tax assets	755.552	1.309.155
Deferred tax liabilities	(81.267)	(37.212)
Deferred tax assets, net	**674.285**	**1.271.943**

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 2008: 20%).

The breakdown of cumulative temporary differences and the related deferred tax assets and liabilities as of 31 December 2009 and 31 December 2008 calculated using the enacted tax rates, are as follows:

	31 December 2009		31 December 2008	
	Cumulative temporary difference	Deferred tax assets/ liabilities	Cumulative temporary difference	Deferred tax assets/ liabilities
Personnel bonus provision	3.000.000	600.000	6.000.000	1.200.000
Unused vacation provision	365.139	73.028	298.593	59.719
Reserve for employment termination benefits	314.743	62.949	240.827	48.165
Expense accruals	97.880	19.575	-	-
Valuation difference on securities	-	-	6.356	1.271
Deferred tax assets		**755.552**		**1.309.155**
Difference between tax base and carrying value of tangible and intangible assets	376.932	75.386	183.674	36.735
Valuation difference on securities	28.066	5.613	-	-
Income accruals	976	195	-	-
Foreign currency valuation differences	363	73	2.386	477
Deferred tax liabilities		**81.267**		**37.212**
Deferred tax assets, net		**674.285**		**1.271.943**

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

NOTE 23 - EARNINGS PER SHARE

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

	31 December 2009	31 December 2008
Profit attributable to equity holders of the Company	12.509.491	25.043.994
Weighted average number of ordinary shares in issue	845.000.000	845.000.000
Earnings per share (Kr)	**1,48**	**2,96**

NOTE 24 - BALANCES AND TRANSACTIONS WITH RELATED PARTIES

a) Balances with related parties at 31 December 2009 and 31 December 2008 are as follows:

	31 December 2009	31 December 2008
Deposits due from related parties:		
Eurobank Tekfen A.Ş.	51.120.108	67.954.736
	51.120.108	**67.954.736**
Due from related parties:		
Advances given to personnel	45.141	1.561
Eurobank Tekfen A.Ş. Mutual Funds	18.704	-
EFG İstanbul Menkul Değerler A.Ş. Mutual Funds	17.974	-
Eurobank Tekfen A.Ş.	1.139	-
	82.958	**1.561**
Due to related parties:		
EFG Capital International Corp.	33.821	38.547
Payables to personnel	5.737	90
Eurobank Tekfen A.Ş.	3.486	-
	43.044	**38.637**
Foreign currency purchase and sale commitments due to related parties:		
Eurobank Tekfen A.Ş. (Note 13)	12.546	-
	12.546	**-**

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

NOTE 24 - BALANCES AND TRANSACTIONS WITH RELATED PARTIES (Continued)

b) As of 31 December 2009 and 31 December 2008 the interest and service income from related parties are as follows:

	31 December 2009	31 December 2008
Interest income from related parties:		
Eurobank Tekfen A.Ş.	5.104.854	4.795.860
	5.104.854	**4.795.860**
Service income from related parties:		
Eurobank Tekfen A.Ş. Mutual Funds	267.445	73.507
EFG İstanbul Menkul Değerler A.Ş. Mutual Funds	159.525	-
EFG Eurobank Securities S.A.	135.893	134.782
EFG Eurobank Ergasias S.A.	64.884	34.207
Eurobank Tekfen A.Ş.	17.840	-
EFG Finansal Kiralama A.Ş.	-	13.735
	645.587	**256.231**
Other income from related parties:		
Eurobank Tekfen A.Ş.	72.578	-
EFG Finansal Kiralama A.Ş.	49.142	-
	121.720	**-**

c) As of 31 December 2009 and 31 December 2008 the service expenses to related parties are as follows:

	31 December 2009	31 December 2008
Service expenses to related parties:		
EFG Eurobank Ergasias S.A.	295.659	236.578
EFG Capital International Corp.	132.247	140.466
Eurobank Tekfen A.Ş.	29.314	-
	457.220	**377.044**
Interest expenses to related parties:		
Eurobank Tekfen A.Ş.	11.389	-
	11.389	**-**

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 TL6.867.397 (31 December 2008: TL4.469.813).

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

NOTE 25 - 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. *Information 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 2009	**Related Parties**	**Other Parties**	**Related Parties**	**Other Parties**	**Bank Deposits(*)**	**Financial Investments (**)**
Maximum credit risk exposure as of the financial statements date	**37.817**	**462.161**	**45.141**	**4.039.492**	**88.311.824**	**17.439.140**
Net book value of financial assets which are neither past due nor impaired	37.817	462.161	45.141	4.039.492	88.311.824	17.439.140
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 TL51.120.108 and B Type Liquid Fund whose founder is Eurobank Tekfen A.Ş. amounting to TL1.768.553.

(**) Financial instruments include mutual funds founded by related parties amounting to TL1.379.880.

	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 and B Type Liquid Fund whose founder is Eurobank Tekfen A.Ş. amounting to TL932.170.

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

NOTE 25 - FINANCIAL RISK MANAGEMENT (Continued)

For the purposes of the table above, collaterals and other guarantees which increase the collectability of the financial asset are not taken into account. As of 31 December 2009 TL14.904.016 amount 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 "Ba2" by the Moody's, one of the global rating agencies.

ii. Information 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 2009 and 2008.

	31 December 2009						
	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 liabilities	15.155.645	8.231.496	7.058.837	-	-	-	15.290.333
Financial lease obligations	57.660	8.390	16.780	33.636	456	-	59.262
Other financial liabilities	226	226	-	-	-	-	226
Trade payables	2.374.628	263.701	-	-	-	2.110.927	2.374.628
Other payables	1.013.966	1.013.966	-	-	-	-	1.013.966
Total Liabilities	**18.602.125**	**9.517.779**	**7.075.617**	**33.636**	**456**	**2.110.927**	**18.738.415**

	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 25 - FINANCIAL RISK MANAGEMENT (Continued)

iii. Information on market risk

Foreign currency risk

Assets and liabilities denominated in foreign currency held by the Company at 31 December 2009 and 2008 in original currency and total TL equivalents are as follows:

	31 December 2009				31 December 2008			
	TL Equivalent	USD	EUR	GBP	TL Equivalent	USD	EUR	GBP
Trade receivables	159.017	66.972	26.930	-	234.944	69.892	54.979	5.267
Financial assets	28.600.962	18.995.068	41	-	29.106.846	19.111.941	72.682	22.013
Total Assets	**28.759.979**	**19.062.040**	**26.971**	**-**	**29.341.790**	**19.181.833**	**127.661**	**27.280**
Trade payables	53.589	34.097	1.041	-	120.182	76.628	1.041	944
Financial liabilities	57.660	38.294	-	-	150.335	99.408	-	-
Total Liabilities	**111.249**	**72.391**	**1.041**	**-**	**270.517**	**176.036**	**1.041**	**944**
Amount of off-balance sheet foreign currency derivative instruments	12.546	8.332	-	-	-	-	-	-
Net foreign currency assets	**28.661.276**	**18.997.981**	**25.930**	**-**	**29.071.273**	**19.005.797**	**126.620**	**26.336**

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 2009	31 December 2008
USD	2.860.526	2.874.246
EUR	5.602	27.107
GBP	-	5.774
Total	**2.866.128**	**2.907.127**

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

NOTE 25 - 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 2009	**31 December 2008**
Financial instruments with variable interest rates:		
Financial assets		
- Financial assets at fair value through profit/loss	14.904.016	4.795.072

The profit before tax of the Company from the financial asset valuation will increase by TL326.255 (31 December 2008: TL40.385) and decrease by TL312.161 (31 December 2008: TL39.683) in the case of a 1% decrease/increase in TL market interest rates with all other factors remaining constant as of 31 December 2009.

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 net income for the period by TL57.338 (31 December 2008: TL5.458) as of 31 December 2009.

According to the analyses of the Company a 5% decrease / increase in the TurkDEX index with all other factors remaining constant will increase/decrease the net income for the period by TL58.561 (31 December 2008: TL5.254) as of 31 December 2009.

***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 26 - 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 2009		31 December 2008	
	Fair value	Carrying value	Fair value	Carrying value
Cash and cash equivalents	88.317.098	88.317.098	81.192.863	81.192.863
Financial investments	17.439.140	17.439.140	4.912.710	4.912.710
Financial liabilities	15.213.305	15.213.305	150.335	150.335

NOTE 27 - SUBSEQUENT EVENTS

None.

NOTE 28 - 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 2009 (1 January - 31 December 2008: TL780.000). 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 TL2.006.000 (31 December 2008: TL1.959.000).

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.

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 2009 and 31 December 2008 the Company has met the relevant requirements of capital adequacy.

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

NOTE 28 - DISCLOSURE OF OTHER MATTERS (Continued)

c) Fund management activity

The Company has been managing 4 mutual funds in accordance with CMB regulations (31 December 2008: 2) and charges fund management fee. As of 31 December 2009, total fund management fee income amounts to TL388.302 (31 December 2008: TL73.507).

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

	31 December 2009		31 December 2008	
Fund Name	**Commission rate (%)**	**Fund value**	**Commission rate (%)**	**Fund value**
Eurobank Tekfen A.Ş. B Tipi Likit Fon	0,003125	18.673.243	0,003125	13.761.822
EFG İstanbul Menkul Değerler A.Ş. A Tipi Değişken Aktif Fonu	0,001250	895.696	0,001250	-
Eurobank Tekfen A.Ş. B Tipi Değişken Fon	0,003125	789.115	0,003125	293.764
EFG İstanbul Menkul Değerler A.Ş. A Tipi Hisse Senedi Model Portföy Fonu	0,001250	722.854	0,001250	-
Total Mutual Funds		**21.080.908**		**14.055.586**

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