



**BEST OF
ANEL**

Contents

ANEL ELEKTRİK AT A GLANCE

- 04** Why Anel?
- 10** Who Are We?
 - 10** Anel Elektrik
 - 11** Affiliates
- 14** Vision and Mission
- 15** Goals and Corporate Values
- 16** What Businesses Are We In?
 - 16** Contracting
 - 18** Energy
 - 19** Electronics
 - 20** Real Estate
- 24** Where Do We Work?
- 26** What Have We Done So Far?
 - 26** Milestones
 - 30** Awards
- 31** Agreements Signed
- 34** What Are We Planning for the Future?

FROM MANAGEMENT

- 36** Message from the Chairman
- 42** Board of Directors
- 46** Senior Management

2012 ACTIVITIES

- 52** Contracting
 - 52** International
 - 58** Domestic
- 64** Energy
 - 64** International
 - 66** Domestic
- 68** Electronic Products and Services
 - 68** International
 - 70** Domestic

SUSTAINABILITY

- 74** Contributions to the Community
- 76** Human Resources
- 77** Information Technologies
- 79** Occupational Health and Safety
- 81** The Environment

FINANCIAL AND OPERATIONAL INFORMATION

- 84** Financial Information
- 85** Risk Management and Internal Auditing
- 86** Information on Other Activities
- 89** Investor Relations
- 90** Agenda of the Ordinary General Assembly
- 91** Amendment of the Articles of Association
- 96** Report on Compliance with Corporate Governance Principles
- 111** Statement of Responsibility

Anel is a rising star

in a constellation of key projects being realized in Turkey and around the world.

As Turkey's leading engineering and technology enterprise, we offer services in the fields of electromechanical contracting, telecommunications, renewable energy, real estate, defense, corporate information technologies and low voltage panel manufacturing.

Our main area of business is electromechanical contracting. We undertake the contracting of major prestigious projects for electromechanical systems and bring them to life.

The essence of our work is contracting - we undertake to complete each and every project we take on to the supreme level of quality expected from Anel, whatever the circumstances, taking pride in delivering success and adding value for the customer with our leadership in engineering. It is this unwavering commitment that differentiates us in business. We continue to sign our name to major projects and have an established roster of satisfied clients around the world. And as we move forward, developing and improving ourselves, the motto we have come to embody is:

We keep our promise!





We Feel Tremendous Pride

New Doha International Airport

Will be the biggest in Qatar when completed
It will be the new transfer hub of the Middle East
And will differentiate Qatar even further

At the New Doha International Airport
In every point of its 450,000 m²
We promised to make a difference
We promised to finish the project on time
We made a promise, and we kept it.

We keep our promise!

Promise and performance: Anel Elektrik

From left to right: Tolga Tutum/Qatar Country Manager,
Ogün Ünverođlu/Middle East Procurement Responsible
Bülent Batukan/Member of the Board, Ebru Seçkin/Human Resources Responsible



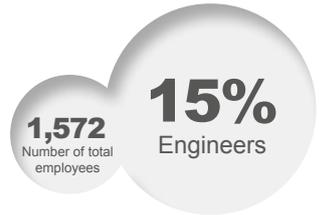
Why Anel?



Marmaray Rail Tube Tunnel Project

The power of engineering

Anel Elektrik acknowledges the power of engineering at the core of its success. A large part of the Anel team is made up of experienced engineers with a track record of work on numerous major domestic and international projects.



Ford Automotive Factory, Gölcük-Turkey

Sustainable Business Relations

Anel Elektrik builds mutually sustainable and transparent relations with its customers and solution partners, safeguarding not only its own rights but always working with the full range of stakeholder interests in mind. Anel views principled and honest work, the right quality solutions, and the timely completion of production and projects as the bedrock of its relations.



Why Anel?



Atatürk International Airport, Istanbul-Turkey

International Quality Concept

Signing its name to many major and significant projects over a wide global geography, Anel Elektrik executes project documentation and field applications that meet international quality standards.

Sound Resource Planning Management

SAP work processes are an integral part of project management, using accurately processed data to enable rapid and effective business decision making. The implementation of Material Resource Planning (MRP) and Enterprise Resource Planning (ERP) minimizes risks.

Simultaneously executed

6

airport projects



Hilton Garden Inn Hotel, Konya-Turkey

Sound Financial Structure

With the quality of its balance sheet, resource structure and capacity to fulfill its payment obligations on time, Anel Elektrik enjoys a positive rating from international credit rating agencies. And as a result of its trust-based relations with banks, the Company maintains high credibility, implementing the right strategies to attain continuous growth, even in times of economic crisis.

Active in

12

countries on three continents

Sound Bid and Procurement Processes

Anel Elektrik has an experienced proposal team, knowledgeable in matters of budget and cost analysis. With a wide network of suppliers capable of working in swift coordination in sync with product and budget alternatives, the Company is able to meet customer needs at a moment's notice.

Why Anel?



New Doha International Airport

Occupational Health and Safety

With occupational health and safety being a key priority, the Company places great importance on creating safe and healthy working environments. The success of Anel Elektrik as a leader in this area is confirmed by industry awards it has garnered to date.

Lean Organizational Structure

A simple organizational structure and a contemporary understanding of corporate governance ensures timely and effective process management.

15
million man/hours
zero accident



Marmaray Rail Tube Tunnel Project, Istanbul-Turkey

Who are we?

ANEL ELEKTRİK



Since 1986 we have moved forward by adding value to the world around us, to our society, to the companies and enterprises we work with. We stride into the future implementing innovative initiatives while respecting people and nature. We work, in light of the philosophy of “Today for Tomorrow.”

The foundations of the Anel Group date back to 1986, the year that Anel Elektrik Proje Taahhüt ve Ticaret A.Ş. (Anel Electrical Project Contracting and Trade) was established. While its core area of business is electrical and mechanical contracting, the Company also offers solutions in renewable energy, low voltage panel manufacturing, recycling, research & development, corporate information technologies and the defense industry.

Established in 1986 as an electrical contracting company, today Anel Elektrik is a leading electromechanical contracting company that undertakes both domestic and international projects with its network of nine subsidiaries, six affiliates, and four international branches. Anel Elektrik is the flagship of the Anel Group, one of Turkey's pioneering corporations engaged in engineering and technology. The Company's shares were opened for public trading on the Borsa İstanbul under the ANELE ticker symbol on June 16, 2010.

Anel Elektrik shares are divided among the Çelikel Family (50.90%) and other shareholders (0.04%), with the remaining portion (49.06%) publicly traded.

With its subsidiaries and affiliates, Anel Elektrik's operations are spread over three continents and 12 countries, in activities that encompass the four main segments of contracting, energy, real estate and electronics.

AFFILIATES

Subsidiaries, Affiliates and Branches

	Country	Year Established	Business Area	Shareholding (%)
AnelEnerji Elektrik Üretim San. ve Tic. A.Ş.	Turkey	2009	Solar Energy projects	70.5
AnelMekanik Tesisat Taahhüt A.Ş.	Turkey	2009	Mechanical Installation projects	57.0
Anel Yapı Gayrimenkul A.Ş.	Turkey	2007	Real Estate Purchase and Sale	54.0
Anel Marin Gemi Elektrik Elektronik Sistemleri Tic. ve San. A.Ş.	Turkey	2005	Marine Electrical and Electronic Systems	93.0
Anel Telekomünikasyon Elektronik Sistemleri San. ve Tic. A.Ş.	Turkey	2003	Telecommunications, Electronics	27.4
Enerjiina Kompania Bonev OOD	Bulgaria	2011	Solar Energy projects	50.0
Golden Sun OOD	Bulgaria	2011	Solar Energy projects	100.0
Dag-08 OOD	Bulgaria	2011	Solar Energy projects	100.0
Anel Engineering-Technological Company Ltd.	Russia	2011	Electrical contracting	90.0
Anelmpc Maintenance & Operations Llc.	Qatar	2008	Design, Contracting and Maintenance	30.0
Anel KSA Co.	Saudi Arabia	2011	Electrical, Mechanical Contracting and Engineering	35.0
Anel Dar Libya Constructing & Services Llc.	Libya	2010	Electrical Contracting	65.0
Anel Arabia Llc.	Saudi Arabia	2011	Electrical, Mechanical Contracting and Engineering	10.0
Anel Emirates	United Arab Emirates	2010	Electrical Mechanical Contracting	49.0
Anel Ukraine Ltd.	Ukraine	2008	Electrical Contracting	100.0
Branches				
Doha	Qatar	2006	Electromechanical Contracting	
Baku	Azerbaijan	2011	Electromechanical Contracting	
Georgia	Georgia	2006	Electromechanical Contracting	
Dubai	United Arab Emirates	2012	Electromechanical Contracting	

Who are we?

Affiliates and Subsidiaries



AnelEnerji Elektrik Üretim Sanayi ve Ticaret A.Ş.

This company was established to produce electrical energy through the establishment of all types of facility, to engage in the operation, transfer, rental and leasing of these, and to be active in selling the electrical energy and/or capacity produced to legal persons with wholesale or retail sale licenses, as well as to independent consumers.

AnelMekanik Tesisat Taahhüt A.Ş.

This company was established to engage in mechanical and electrical installation, and other contracting work required in all types of construction.

Anel Telekomünikasyon Elektronik Sistemler San ve Tic. A.Ş.

This company was established to meet the domestic need for professional electronic (telecommunication) devices, and to provide research, production, management, maintenance and similar services for such devices. The company is active in the marine sector, engaging also in system integration, land and mobile telecommunication services, defense systems, industrial and professional

electronics, information technologies, mobile applications and smart solutions. Its shares have traded on the ISE under the ANELT symbol since September 13, 2005.

Anel Yapı Gayrimenkul A.Ş.

The company engages in the purchase and sale of offices, houses, business centers, shopping malls, hospitals, commercial warehouses, commercial parks and similar real estate, either to attain profit or rental income. It is also active in the construction sector.

Anel Marin Gemi Elektrik Elektronik Sistemleri Tic. ve San. A.Ş.

This company was established in the shipbuilding sector to provide services in designing electrical, electronic and electromechanical systems for commercial, military, and private seagoing vessels, offering maintenance and repair services, renovations, contracting and servicing. The company also engages in research, production, management, maintenance and system servicing, and in drawing up blueprints for the full spectrum of marine electrical, electronic and electromechanical projects.



AnelMep Maintenance & Operations Llc.

This company was established in Qatar to engage in the contracting, design, implementation, maintenance, repair and management of electromechanical and industrial systems.

AnelDar Libya Constructing & Services Llc.

The company was established in Libya to provide design, contracting, management, maintenance and technical infrastructure services for electrical and mechanical projects.

DAG-08 OOD

This company holds a solar energy production license for a capacity of 2.2 MWp.

GOLDEN SUN OOD

This company holds a solar energy production license for a capacity of 1.5 MWp.

Anel Engineering-Technological Company Llc.

The company is in the business of providing electrical, mechanical contracting and engineering services in Russia.

Anel KSA Co.

The company engages in the business of electrical, mechanical contracting and engineering services in Saudi Arabia.

Anel Arabia Llc.

The company is in the business of electrical contracting and engineering services in Saudi Arabia.

Anel Emirates

The company engages in the business of electrical, mechanical contracting and engineering services in the United Arab Emirates.

Anel Ukraine Ltd.

The company was established in Ukraine to provide design, contracting, management, maintenance and technical infrastructure services for electrical projects.

Who are we?

VISION AND MISSION

Vision

We offer reliable and creative engineering solutions that meet international quality standards. Every step we take is based on our respect for the individual and the environment alike, and we believe in adding value to the community and for all our business partners.

Mission

Underpinned by the concept of providing reliable and high quality services, we form sustainable relations and strive to be one of the companies most preferred by customers in all the sectors in which we work. We ensure sustainability in our social responsibility projects, particularly in the areas of education and the arts, in an effort to contribute to the development and modernization of our society.

GOALS AND CORPORATE VALUES

Goals

Our goals are to continue geographic expansion, to become active in new markets, and to increase our turnover, implementing effective process management in cooperation with our international partners in Central Asia, the Middle East and North Africa.

Corporate Values

Principled and Honest Work

We have adopted principled and honest work as our fundamental corporate value. All of our business relations are based on fairness and mutual trust. We communicate openly and with transparency. We take each step in the awareness of our responsibilities. We make the right commitments and fulfill the commitments we undertake. We consider our code of ethics to be our fundamental guide in business.

Solidarity and Teamwork

We determine our goals and the roadmap of their achievement together. We share our knowledge. Our teammates are encouraged to succeed; we incentivize them to become active team members. We place value on looking at things through others' eyes, listening with others' ears and making explanation.

Sustainable Improvement

We believe in life-long learning and continuous improvement. In order to respond to the market and to the needs of our customers in the best possible manner, we constantly research and pursue innovative solutions. With our productive and simple corporate structure, we make efficient use of our resources and time, focusing on the right goals, and taking full advantage of opportunities. We place great importance on

end-to-end quality in all processes. We take different approaches and recommendations into consideration. We always work in the belief that each stage of our business needs care, control and meticulous attention; our target is always to reach for what is better.

Respect People and Nature

When assessing people, our criteria are their ideas, competencies and skills. And with occupational health and safety as a key priority, we create safe and healthy working environments. We respect each living being's right to life. In the awareness that our natural resources are not unlimited, we consider the impact of all of our activities on the environment, and make environmental sustainability our priority.

Contribution to the Community

We develop and execute projects that contribute to creating a socially, culturally and economically sustainable world. We consider education to be the fundamental element in our national development and in increasing our quality of life, and accordingly we work to improve the quality of our educational system. We are also aware that the arts play as much a part in the development of a society as education, and in this recognition of their importance in a contemporary and modern society, we support the arts and young upcoming artists.

What businesses are we in?

CONTRACTING



“Carrying out the electrical and mechanical system designs and implementation work of the projects it has delivered, both in Turkey and abroad, Anel Elektrik has completed 9 airport projects in 12 years.”

9
airport
projects

As part of its main area of business, namely electromechanical contracting, Anel Elektrik has successfully concluded the implementation of electromechanical systems in numerous high-quality projects on a national and international level.

Anel Elektrik also delivers operational and maintenance services for the electromechanical projects it undertakes in Turkey and abroad. Besides its electromechanical project contracting services, the Company has set up an operations and maintenance team to help launch projects of maximum productivity; Anel's service continuity keeps it one step ahead of its competitors.

With its ability to deliver electrical and mechanical contracting services simultaneously, Anel Elektrik is a Turkish company that is strong enough to independently participate in international tenders. Anel Elektrik's subsidiary AnelMekanik (Anel Mechanical) was established in 2009 to operate in the mechanical contracting business. This company bolsters the corporation's success and competitive edge in competitive bidding processes.

Confirming its strength by completing six airports in 12 years and conducting six airport projects simultaneously, Anel Elektrik has become a brand in its own right in its field, both in Turkey and internationally. Anel's achievements include prestigious projects requiring expertise such as New Doha, Tbilisi, Batum and Cairo International Airports, and Qatar Convention Center abroad, and Istanbul Atatürk, Ankara Esenboğa and Izmir Adnan Menderes International Airports, as well as Marmaray Rail Tube Tunnel Project, Turkcell Operation Centers, Istanbul Goldsmiths Center one of Turkey's largest shopping center, Forum Istanbul Shopping Mall, and Four Seasons Bosphorus Hotel in Turkey.

- **New Doha International Airport** project, launched in Qatar in 2007, has reached a total investment value of almost USD 500 million

with the additional work carried out for major contracting companies like TAV and TAISEI. As of the end of 2012, 99% of the project had been completed.

- In the **Marmaray Rail Tube Tunnel Project**, one of the world's largest transportation infrastructure projects, Anel Elektrik took on the electrical and mechanical works for the immersed tunnel that will connect the two banks of the Bosphorus.
- One of Turkey's largest shopping centers, **Forum Istanbul Shopping Mall** Project, built on a total area of 450,000 m², was completed in 2011. It houses 350 shops and a parking lot with a capacity of 4,000 vehicles.
- **Istanbul Goldsmiths Center** project, built on a construction site with a total area of 570,000 m², was completed in 2011.

With the two major projects it assumed in 2012, Anel Elektrik increased its business volume by more than 2.5 times. In 2012, Anel Elektrik signed a letter of intent for a business volume of USD 287 million in connection with the Abu Dhabi Airport project. In addition, the Company signed an agreement with Koray İnşaat (Koray Construction) for the Istanbul Tuzla Trade Center, an investment valued at USD 56 million. Together with ongoing projects and additional new work, as of the end of 2012, the value of Anel Elektrik's outstanding backlog in the contracting segment had reached USD 565 million.

Working with experience garnered over 27 years, the Company's quality-focused service concept, and the sustainable relations it establishes with its customers are striking. Anel Elektrik provides contracting services not only to customers in Turkey, but also in Russia, Azerbaijan, Saudi Arabia, Qatar and the United Arab Emirates; it enjoys successful business relations with Bechtel, Taisei, Hyundai, TAV and other similar major contracting firms.

What businesses are we in?

ENERGY



Serhatköy, TRNC - 1,275 MWp GES

The sharing of energy resources is recognized as one of the greatest challenges of the century in which we live. In the face of a steadily rising need for energy, conventional energy resources that cause global warming, environmental pollution and sustainability issues, have led the world to search for alternative and renewable alternatives.

Turkey has considerable renewable energy resource potential, particularly in the area of solar energy.

AnelEnerji (Anel Energy) was founded to tap this potential and convert environment-friendly, reliable and sustainable solar energy into electrical power.

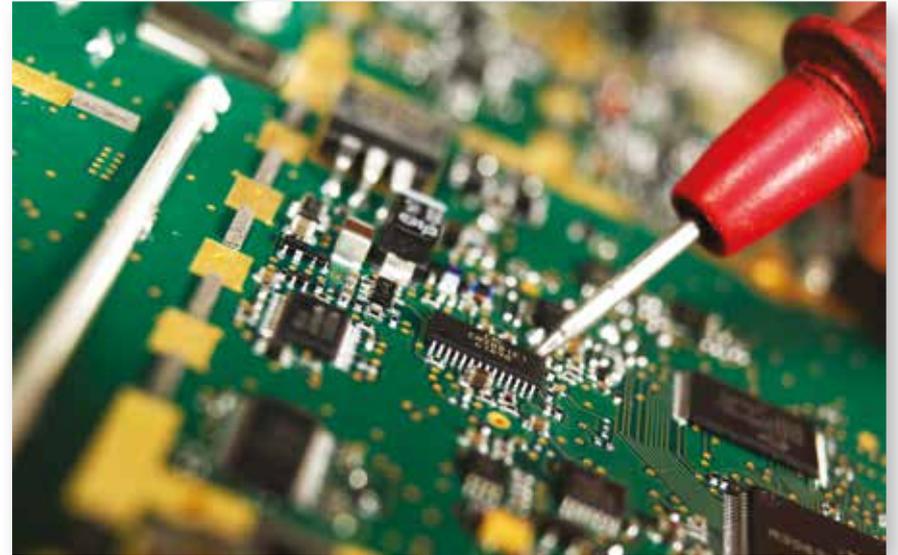
AnelEnerji Elektrik Üretim Sanayi ve Ticaret A.Ş., established as a 70.5% subsidiary of Anel Elektrik, provides investment and technical consultancy for solar energy

power plants, and services in project design, system design, plant installations, license procurement as well as operations and maintenance. Additional to its work at industrial installations, the company also creates solutions for roof installations in private homes.

AnelEnerji has completed the installation of a 1.3 MWp-capacity solar energy power plant in the Eastern Mediterranean Basin in Cyprus. Its three power plant projects in Bulgaria, amounting to a total capacity of 5.2 MWp, were finished in the first half of 2012 and connected to the network in July.

AnelEnerji founded the company Avek Solar Üretim San. ve Tic. A.Ş. in a 50%-50% partnership with Austrian firm Kioto PV; Avek produces photovoltaic solar modules that meet EIC, TÜV and ISO certification standards at its fully-automated production lines in Istanbul.

ELECTRONICS



Electronic Products and Services

Anel Telekomünikasyon Elektronik Sistemleri Sanayi ve Ticaret A.Ş. (AnelTech) works to find solutions and serve both domestic and international markets with its specialized teams in the areas of systems integration and servicing solutions, land and mobile telecommunications, defense, industrial and professional electronics, corporate information technologies and mechatronics. AnelTech, together with its affiliated Anel

Group companies, generates solutions in the areas of design, system integration, maintenance, repair, project management and consulting services for customers in the public, health, maritime, energy and defense sectors.

AnelTech shares began to be traded on the stock exchange in 2005 under the symbol ANELT.

What businesses are we in?

REAL ESTATE



Anel Yapı Gayrimenkul A.Ş. (AnelYapı) was established for the express purpose of undertaking the building and management of the Anel Business Center in Ümraniye, the headquarters of the Anel Group. With the solar panels on its roof and terraces made up of photovoltaic (PV) cells, the Anel Business Center is one of AnelYapı's most important projects, with a capacity to meet a moderate volume of energy needs and recycle its own water consumption. This makes it a smart, hi-tech and environmentally sound

building. Anel Yapı continues to carry out the management of the Anel Business Center. The 19-story Anel Business Center has a rentable area of 22,566 m² and a parking lot for 450 vehicles.

Besides the Ümraniye Anel Business Center, the Anel Yapı portfolio also includes eight offices in the Koşuyolu and Yeşilköy EGS Blocks.



Atatürk International Airport

Turkey's door to the world

Turkey's largest airport

Istanbul Atatürk International Airport

A total area of 495,000 m²

Connecting Istanbul and Turkey to the world

We promised to set up all of the electrical systems make everything work seamlessly

We made a promise, and we kept it.

We keep our promise!

Promise and performance: Anel Elektrik



We couldn't have entrusted this work to anyone else



From left to right: Evrim Akgün/Electrical Design Manager
Turgut Alp Çolakoğlu/International Projects Coordinator,
Özgür Yazıcı/Electrical Tender Responsible, Zeynep Yıldırım/Accounting Specialist

Where do we work?



What have we done so far?

MILESTONES

1986

Anel Elektrik Proje ve Taahhüt A.Ş. is established.

First Project: Darlık Dam

1988

First Industrial Plant: KAV Factory

1990

Entry into the Manufacturing Sector: AnelSis is established (Production of Low Voltage Panels)

1991

Entry into business centers with technological infrastructure: Hürriyet Headquarters Building



1995

Toprak Health Products Factory

1996

Demirbank Headquarters Building

1998

The Operations and Maintenance Unit is established.

1999

Turkey's, and Anel's, First International Airport: Istanbul Atatürk Airport



(In subsequent years, Anel completed additional airports in Turkey.)

First International Project: Tverskaya Hotel in Russia

First International Office: Russian Office (Entry into the Central Asian market)

(In subsequent years, offices were established in Ukrain, Georgia and Azerbaijan.)

The Turkcell Maltepe Operations Center (The first of the operations centers to house basic equipment ensuring uninterrupted Turkcell services)

(In continuation of this project, Anel completed the contracting for a total of 19 operations centers, including the Kartal Operations Center, and remains a solutions partner for Turkcell in the area of operations and maintenance.)

2000

Ford Automotive Factory, Gölçük (The Ford Automotive Factory Project was the start of an ongoing solution partnership with Ford.)

2003

Entry into the Telecom Sector: AnelTech is established.

An Affiliation Agreement with the Producers of the Smart Card, Plastkart.

2004

An initial public offering was organized for Plastkart.

2005

Entry into the Defense Sector: AnelMarin is established (Marine Electrical-Electronic Systems).

The First International Airport Project Abroad: Cairo/Egypt Airport

(In subsequent years, the Batum/ Georgia and Tbilisi International Airports were added to the international airport projects undertaken abroad.)



2006

Milgem Project: The electrical work on the Milgem Project for the first corvette class warship built by the Turkish Navy exclusively with its own resources

An initial public offering is held for AnelTech.

Entry into the markets of the Middle East and North Africa (MENA): The Qatar Office is established.

(In subsequent years, offices were also established, in the UAE, Libya, and Saudi Arabia.)

2007

The Biggest Airport in Qatar: The New Doha/Qatar International Airport



Supporting Education: The Çelikel Educational Foundation is established.

HSBC Head Office Building

2008

An Increase in Production Capabilities: AnelEs is established (Electronic production)

What have we done so far?

Milestones

2009

Embarking on Electromechanical (E&M) Contracting Services: Anel evolved into an electromechanical contracting firm when it began to provide mechanical contracting services.

The Anel Business Center: Anel relocated its head offices to the Anel Business Center, a smart building built and installed with state of the art technology.

Entry into the Renewable Energy Sector: AnelEnergy is established (Solar Energy Systems).

Galeri 5 Opens: Supporting the Arts and Young Artists



2010

The First and Largest Power Plant in the Eastern Mediterranean Basin: Cyprus Solar Energy Power Plant (has the distinction of being the first power plant in the region to be funded by the EU).

Entry into the Recycling Sector: AnelDoğa is established (Turkey's first Integrated Recycling and Waste Management Facility).

An initial public offering was carried out for Anel Elektrik.



2011

Entry into the Eastern European market: Bulgarian Office opens.

Becoming a Holding Company: Anel Holding A.Ş. is founded.

Transition to the SAP System: Resource Planning Management

An Increase in Production Capabilities: AvekSolar is established. (A partnership with AnelEnerji and Austrian company Kioto for the production of solar modules)

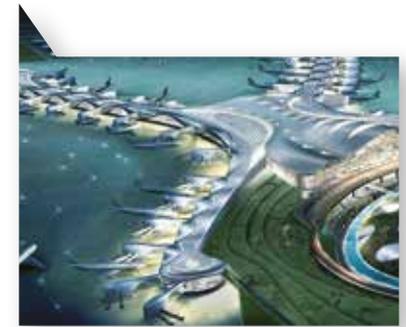
The First Solar Energy Power Plants in the World to be Established with Project Financing: Dimitrovgrad, Chirpan and Troyanovo Power Plants in Bulgaria

The Marmaray Project: The world's deepest sub-marine tube-tunnel project



2012

The Letter of Intent for the Abu Dhabi International Airport Project



What have we done so far?

AWARDS

The Best Sub-Contractor

Anel Elektrik was selected "Best Sub-Contractor" by main contractor Hyundai in the Qatar Hamad Medical City Project, for excellence achieved in occupational safety over the period of March 2012-September 2012.

Certificate of Achievement

Anel Elektrik was also awarded a Certificate of Achievement from Taisei, the main contractor of the New Doha International Airport project, for completing the project in a period amounting to 15 million man/hrs with a zero-accident record.

The Kariyer.net 2012 Respect for People Award

Anel Elektrik is a preferred company of job-seekers because of its strong position in the sectors in which it operates. The company received the "Respect for People Award" from kariyer.net in 2012 for its approach to responding quickly and efficiently to the numerous prospective employees applying through kariyer.net.

AGREEMENTS SIGNED

International Projects	Project Costs (USD million)	Employer	Country
Abu Dhabi International Airport - New Terminal Building*	287.00	TAV-CCC-ArabTec	UAE
New Doha International Airport CP110	21.70	QIT IMAR Alec Fit Out JV	Qatar
New Doha International Airport CP99**	8.60	Sixconstruct-Midmac JV	Qatar
Marriott Hotel – Sochi	24.20	Koray İnşaat	Russia
BP Head Office Building- Baku	16.70	Lindner LLC	Azerbaijan
Signed in 2012 International Projects	358.20		

Domestic Projects	Project Costs (USD million)	Employer	Location
İş GYO Tuzla Trade Center*	55.93	Koray İnşaat	Istanbul
Kocaeli Ford Otosan Factory	7.20	Ark İnşaat	Kocaeli
42 Maslak Business and Shopping Center	4.14	Bay İnşaat	Istanbul
Garanti Bankası Technology Campus	1.58	Koray İnşaat	Istanbul
Maçka Hotel	4.29	Demsa	Istanbul
Signed in 2012 Domestic Projects	73.14		
Signed in 2012 Total Projects	431.34		

* Letter of Intent received.

** Signed in January 2013.

Marmaray Rail Tube and Tunnel Project

One of the most important projects in the world
The world's deepest immersed tube-tunnel
Adding a new dimension to life in the city
With the engineering miracle,

We promised to make a century-old dream come true
To master the challenge
To finish the project on time
We made a promise, and we kept it.

We keep our promise!

Promise and performance: Anel Elektrik



*Anytime,
Anywhere*

From left to right: Enver Kır/Electrical Project Manager, Ersin Şayan/Electrical Site Manager, Süleyman Demirhan/Tender Coordinator, Merve Yılmaz/Assistant Finance Specialist

What are we planning for the future?

Abu Dhabi International Airport



Our goal is to expand the geographic regions in which we are active and increase our turnover, implementing effective process management in cooperation with our international partners in the regions of Central Asia, the Middle East and North Africa.

1,038

Total project cost
million USD



As Turkey's leading electromechanical contracting company, Anel Elektrik plans to reinforce its presence in regions that include the Middle East, North Africa, Azerbaijan and Russia, supported by its experience and the relations it has established with leading contractors worldwide. In keeping with this plan, the Company is closely scrutinizing events that will require major infrastructural projects, such as the FIFA World Cup to be held in Qatar in 2022.

Ongoing, by Country Work Distribution	Total Project Cost (USD million)	Ongoing (USD million)
Turkey	183.09	137.98
UAE	287.00	287.00
Qatar	470.80	50.70
Russia	24.20	24.20
Saudi Arabia	35.50	35.50
Azerbaijan	16.70	14.00
Other	20.60	20.60
Total	1,037.89	569.98

Message from the chairman



For Anel Elektrik, 2012 was ultimately a year in which the Company proved to be the enterprise of choice in prestigious and major projects. In fact, this was the case despite the continuation of the global crisis, and the resulting climate of increased competition in the sector.

287
 USD million
 Abu Dhabi
 project

The low interest rates experienced in 2012 secured the continuity of investments and projects in the infrastructure sector, despite the continuing global crisis. Hotel, business center, shopping mall and airport projects were the most striking infrastructure types of 2012.

From another perspective, the ongoing crisis in particular increased competition in international projects, causing some sector players to lean toward turnover targets rather than profitability, leading to a general narrowing of profit margins in the sector. In this environment of crisis and competition, Anel Elektrik made no compromise regarding its goal of profitability, remaining selective in its approach to projects.

The year 2012 proved to be a successful one for Anel Elektrik, which took on some major projects of prestige; the total value of the Company's backlog was 2.5 times that of the previous year.

Despite the global crisis, increasing competition and narrowing margins, thanks to the robust business relations it had built up over the years, and its uncompromising dedication to quality, Anel Elektrik forged ahead with its projects in 2012. While at the beginning of the year, its volume of business on standby was USD 221 million, by the end of the year the figure had risen to USD 565 million, pointing to a significant achievement for the year.

Taking advantage of every opportunity to appear in the regions in which it operates, Anel Elektrik continued to increase the stature of its projects in countries least affected by the global crisis.

Starting out in 2006 with a project investment of USD 67 million, the success that the Company exhibited in the New Doha International Airport project led to an investment amount of USD 451 million as of the end of 2012. Achieving recognition as a brand in the Middle East, the Company has received a letter of intent for the contracting of electrical work for the Abu Dhabi Airport to be built in the United Arab Emirates at a cost of USD 287 million. Anel Elektrik has every confidence that its established relations with business partners and customers will lead to newer and bigger projects.

Anel Elektrik has increased its number of completed projects, gaining brand recognition that is closely identified with quality and differentiation from competitors thanks to its quality and reputation in the sector.

Besides a capacity to execute numerous projects simultaneously, Anel Elektrik's ability to provide contracting services for both electrical and mechanical work has contributed to making it the preferred name in prestigious and major projects undertaken by world-class contractors around the globe.

In addition to the large-scale letters of intent and agreements signed in 2012, project completion in all contracting jobs, including work carried out at the New Doha International Airport (99%), the Manisa Shopping Center, the Adiyaman Airport, Baku Crystal Hall and Büyükhanlı Akatlar, was managed on time and without compromising on the designated budget.

Message from the chairman

Anel Elektrik's activities in the Middle East and North Africa are expected to expand significantly due to the large-scale infrastructure investments planned to accommodate events such as the FIFA World Cup to be held in Qatar in 2022.

Investments in the renewable energy segment continued in 2012. Those made in three different solar photovoltaic energy power plants with a total capacity of 5.2 MWp were completed, and the plants put into operation. Solar panel production continues under the AvekSolar partnership with Austrian KIOTO Company. In addition, preparations for the licensing process that will begin in June 2013 are ongoing, and the sector is being closely watched for any opportunities that may appear.

In line with its goal of becoming a global player in the electromechanical contracting sector, Anel Elektrik is committed to maintaining operational standards and business ethics, the criteria of which it has carefully delineated, and adheres to the principles of fulfilling its obligations on time, without compromise and economically, thus seamlessly sustaining relations with major and well-known contractors around the world. In addition to projects realized in and beyond Turkey in regions where the Company already operates, the potential to undertake projects for new and different purposes in countries where no business has yet been conducted is being scrutinized with the long-term goal of profitability diversification.

Anel Elektrik has been active in the Middle East and North Africa since 2005, and today plans to achieve a significant increase in its business volume with the huge-scale infrastructure investment it will be launching for the FIFA World Cup to be held in Qatar 2022. Anel Elektrik has every belief it will become one of the first companies to benefit from potential projects in the region. It is toward this end, and to meet future needs, that it continues to develop its human resources and technical competencies.

By prioritizing harmony with the environment, occupational health and safety, Anel Group's fundamental work strategy is the pursuit of sustainable profitability.

While Anel Elektrik pursues global, innovative, technological and reliable solutions, as it has done in the past, the Company will also continue to create added value for the community it belongs to, as well as for all of its business partners.

The importance given to social responsibility is evident in our projects undertaken in support of education and the arts. With the projects Anel Group develops within the framework of the Çelikel Educational Foundation, the Company contributes to raising generations of young people who are innovative, free-thinking, creative, responsible and aware of the importance of adding value by what they do. The Group works hand in hand with young people to review and find solutions to problems, and to assess the opportunities that present themselves to youth in the world today. In 2012, the Anel Group continued to support young artists at its "Galeri 5" gallery located at the Anel Business Center.

While Anel Elektrik pursues global, innovative, technological and reliable solutions, as it has done in the past, the Company will also continue to create added value for the community it belongs to, as well as for all of its business partners.

Last, but not least I would like to thank all of our dedicated and hard-working employees, who contributed the most to the the Company's successful performance in 2012, and also to extend my gratitude to all of our business partners for the faith they have shown in us.



Ridvan Çelikel
Chairman of the Board



At our Quality Center

Qatar Convention Center

In the world's richest country...
In the world's new center of attraction, Qatar
We said we would add value
to the Qatar Convention Center

A structure of exceptional architecture...
We said we would sign our name to this
exceptional architectural project
We promised to finish the project on time
We made a promise, and we kept it.

We keep our promise!

Promise and performance: Anel Elektrik

From left to right: Tolga Nalbantođlu/Mechanical Draftsman,
Ayşegül Gür/Corporate Communications Responsible, Yakup Akgün/National Projects
Coordinator, Mehmet Gürbüz/Mechanical Technical Office Engineer



Board of Directors



Rıdvan ÇELİKEL (1)
Chairman of the Board

Avniye Mukaddes ÇELİKEL (2)
Vice-Chairman of the Board

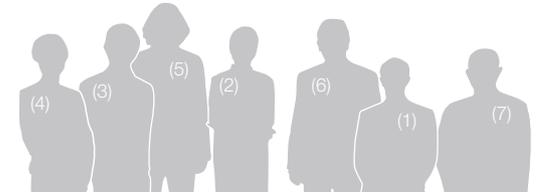
Mahir Kerem ÇELİKEL (3)
Member of the Board

Merve Şirin ÇELİKEL (4)
Member of the Board

Ahmet Bülent BATUKAN (5)
Member of the Board

Prof. Dr. Münir EKONOMİ (6)
Independent Member of the Board

Cahit DÜZEL (7)
Independent Member of the Board



Board of Directors

Rıdvan ÇELİKEL (1)

Chairman of the Board

A graduate of Yıldız Technical University's Department of Electrical Engineering, Rıdvan Çelikel commenced his career in 1975 at Öneren Engineering. Over the period 1983-1985, he was a partner at Aktek Electricity. In 1986, Mr. Çelikel, established Anel Elektrik; currently, he is Chairman of the Board of Directors of the Anel Group of Companies. Rıdvan Çelikel is also a Founding Member of the ETMD, Electrical Installation Engineers Association, where he is Vice-chairman of the Association Board.

Avniye Mukaddes ÇELİKEL (2)

Vice-Chairman of the Board

A graduate of the Chemical Engineering Department of Istanbul University, Avniye Mukaddes Çelikel has been a Member of the Board of Directors of the Anel Group since 1986, and is also Support Units Group President. She is also the President of the Çelikel Educational Foundation.

Mahir Kerem ÇELİKEL (3)

Member of the Board

A 1999 graduate of Robert College, Mahir Kerem Çelikel received his bachelor's degree in 2004 at Johns Hopkins University Department of Mathematical Sciences and Engineering, and his MBA from Boğaziçi University in 2007. Mahir Kerem Çelikel is currently a Member of the Board of Directors of Anel Elektrik.

Merve Şirin ÇELİKEL (4)

Member of the Board

Merve Şirin Çelikel received her bachelor's degree in 2008 from Berlin Technical University's Electrical and Electronic Engineering Department, and her MBA in 2012 from INSEAD University on a scholarship. In 2008, she started her career as a Project Engineer at Hexagon Global Energy, a company active in the field of alternative energy investments. Over the period of 2009-2011, Merve Şirin Çelikel worked as a Project Quality Manager at Siemens Energy, and simultaneously as a Health, Safety and Environment Coordinator and Proposals Coordinator. Over the period of January-September 2011, she served as Proposals Manager at the Siemens Wind Energy Group. Joining the Anel Group in 2011, Merve Şirin Çelikel is currently a Board Member at Anel Elektrik, AnelEnerji and AnelDoğa, and has responsibility for the Marmaray Project at Anel Elektrik.

Ahmet Bülent BATUKAN (5)

Member of the Board

A 1976 graduate of the Middle East Technical University mathematics department, Ahmet Bülent Batukan received his master's degree in Business Management from Gazi University. Over the period 1976-1981, he worked as Assistant Manager in Charge of Ankara Regional Sales at Koç Burroughs Computer Systems, as Ankara Regional Manager and Istanbul Major Computers Department Manager at Saniva (Sperry Univac) from 1981-1988, as General Manager at Teleteknik in the Kavala Group over the period of 1988-1991, and as Founding Partner and General Manager at Setus over the period of 1991-1998, after which he served as Board Member at Setkom from 1998-2005. A member of the Anel Group since 2005, Ahmet Bülent Batukan currently holds the title of Board Member on the Group's Board of Directors and is also a Member of the Boards of Anel Elektrik, AnelTech, Anelmak, AnelMarin, ESistem, AnelMek and AnelEnerji.

Prof. Dr. Münir EKONOMİ (6)

Independent Member of the Board

Receiving his degree at the Istanbul University School of Law in 1955, Prof. Dr. Ahmet Münir Ekonomi later became Associate Professor at Istanbul Technical University, receiving his PhD in the Department of Labor Law at Munich University School of Law. Prof. Ekonomi taught Labor Law at the Istanbul Technical University and at Galatasary University's Engineering and Technology Department. In addition to working for the Anel Group of Companies Mr. Ekonomi is a consultant at Akbank, Eczacıbaşı Holding, Türk Ekonomi Bankası, Türk Telekom, PharmaVision Holding, Japon Tütün Ürünleri Pazarlama (Japanese Tobacco Products Marketing) and the Unilever Holding Company. He was formerly a Member of the Board at the Yaşar Educational and Cultural Foundation, and is currently a member of the Boards of the Istanbul Foundation for Culture and Arts, the Dr. Nejat Eczacıbaşı Foundation of Science and Art, the Istanbul Modern Art Foundation, and the Istanbul Modern Museum of Art, as well as the Supporters of the Istanbul Archeological Museum Association. Ahmet Münir Ekonomi is an independent member of the Board, as defined within the scope of the Corporate Governance Principles set out by the Capital Markets Board. He has no relationship whatsoever with Anel Elektrik, or related parties.

Cahit DÜZEL (7)

Independent Member of the Board

A 1971 graduate of Robert College with a degree from the School of Business Administration and Economics, over the years of 1989-2005 Cahit Düzel was Corporate Relations Director at Philip Morris Sabancı and Member of the Board at Philsa. Since 2005, he has been Co-chairman of the Board of Directors at Menzel Kimya (Menzel Chemistry), and PAL Consultancy Managing Partner.

Cahit Düzel is an independent member of the Board, as defined within the scope of the Corporate Governance Principles set out by the Capital Markets Board. He has no relationship whatsoever with Anel Elektrik, or related parties.

Senior management



Adnan EK

Financial Affairs Group Manager

Adnan Ek received his undergraduate degree in Finance in 1987 from Istanbul University, and his MBA from Yeditepe University. Starting his career in 1988 at STFA Holding, he worked in that institution up until 2006 as Assistant Accounting Specialist, Accounting Specialist, Budget Specialist, Accounting Manager, Assistant General Manager and Internal Auditing Coordinator, respectively. Over the period of 2006-2012, he worked as Finance Director at Sertans International Logistics, Durak Textiles and Kayı Holding. At the Anel Group in May 2012, Adnan Ek is currently the Financial Affairs Group Manager.



Başak ÜLKENLİ

Contracts Manager

Başak Ülkenli graduated from Middle East Technical University, Department of Public Administration in 1998. Between the years of 1998-2000, she worked as an Assistant Specialist at Aselsan, after which she started at Havelsan in the capacity of Contracts Specialist in 2000, later assuming the position of Supervisor in 2003 and then Contracts Manager for Aviation, Defense and Simulation Groups until 2008. Over the period of 2008-2012, she served as Contracts Unit Manager in Business Development and Customer Relations Department of the Tübitak Bilgem, before joining Anel Group in March 2012 as Contracts Manager in charge of Anel Elektrik and Contracting Group.



Burak KERİMAK

Operations and Maintenance Coordinator

Burak Kerimac received his bachelor's degree in Electrical Engineering in 1999 from Yıldız Technical University. Beginning his career in 2000 at M.N.G. Holding, Burak Kerimac worked as an Electrical Field Engineer until 2002. Over the years of 2003-2004, he worked at Tepe İnşaat (Tepe Construction) as Electrical Work Site Supervisor, and at Koç Holding as Contracts and Field Applications Project Coordinator between 2004-2010, thereafter assuming the position of General Services Manager at ABB Elektrik (ABB Electricity) over the period of 2010-2012. Joining the Anel Group in July 2012, Burak Kerimac is currently Operations and Maintenance Coordinator at Anel Elektrik.



Celal AKTAŞ

Design Manager

A 1989 graduate of the Yıldız Technical University Department of Electrical Engineering, Mr. Celal Aktaş has started to work at Anel Elektrik since 1992, and continues his professional career in the position of Design Manager in Domestic Projects.

Engin KARAKUŞ

Internal Auditing Group Manager

Graduating from the Marmara University Department of Finance in 1998, Engin Karakuş received his master's degree in Economics Law from Galatasaray University. Over the period of 1998-2004, Mr. Karakuş climbed the ranks of Türk Ekonomi Bankası (TEB), rising to Senior Auditor, and in the years 2004-2009, worked at Delta Petrol as Internal Auditor and Loan Risk Manager. Engin Karakuş joined the Anel Group in 2009 as Strategic Planning and Business Development Unit Manager, and has been the Internal Auditing Group Manager since January 2012.



Engin ŞENYER

Information Technologies Director

After graduating in 1988 from the Yıldız Technical University Department of Electronic and Communications Engineering, Engin Şenyser worked at Yaysat as Information Technologies Manager from 1994-2002, and as Information Technologies Director at Doğan Dağıtım (Doğan Distribution) over the period of 2002-2007. In 2007, he joined the Anel Group and is currently the Information Technologies Director.



Figen ÖZCAN

Quality Systems Manager

Figen Özcan graduated in 1987 from the Istanbul Technical University Department of Electronic and Communications Engineering. Over the period of 1987-2000, she held the position of Quality Engineer and Total Quality Management Coordinator at Nortel Netaş and then at Soletron as Quality and Test Engineering Manager from 2000-2008. Having joined the Anel Group in 2008 as Quality and Test Engineering Manager, she is currently the Quality Systems Manager.



Mustafa YAZLIKIÇI

Domestic Projects Coordinator

After graduating in 1988 from the Yıldız Technical University Department of Electrical Engineering, Mustafa Yazlıkıçı was Project Manager at Bakış Elektrik until 1999. In 1999 he joined Anel Elektrik and currently works as the National Projects Coordinator.



Senior management



Nesrin BAYRAKTAR
Human Resources Director

Nesrin Bayraktar received her undergraduate degree from Istanbul University Department of Business Administration in 2000 and began her career at Telsim. From 2003-2007, she worked as Human Resources and Quality Supervisor at Biruni Laboratories. Since joining the Anel Group in 2007, she has held a series of positions, namely Human Resources Specialist, Selection and Placement Manager, and Human Resources Planning Manager. Nesrin Bayraktar has been the Human Resources Director since December 2012.



Önder ÖZYILMAZ
Budget and Reporting Group Manager

Önder Özyılmaz received his bachelor's degree in 1999 from Istanbul University Department of Business Administration. In 1998 he, launched his career at Işıklar Securities and from 2000-2004 served as Finance and Strategy Specialist at Gemak Gemi İnşaat (Gemak Shipbuilding). During the period 2004-2012, Mr. Özyılmaz worked as Budget and Reporting Manager at the Alarko Contracting Group, and as of October 2012 he has been at the Anel Group in the position of Budget and Reporting Group Manager.



Özlem ALBAYRAK
Corporate Communications Group Manager

After receiving her bachelor's degree from Istanbul University's Psychology Department in 2004, Özlem Albayrak worked at Argela, a subsidiary of Türk Telekom, over the period of 2004-2006. From 2006-2008, she worked at Hürriyet Newspaper in Berlin, while also studying media and art direction. After joining the Anel Group in 2008, she worked as Corporate Communications Supervisor and then as Corporate Communications Manager. Özlem Albayrak has been the Corporate Communications Group Manager since January 2013.

Süleyman DEMİRHAN
Tender Manager

Süleyman Demirhan received his undergraduate degree in 1995 from Istanbul Technical University Department of Electrical Engineering. From 1995-1997, he worked as Electrical Engineering and Site Supervisor at Eltem Elektrik (Eltem Electricity). Süleyman Demirhan joined the Anel Group in 1998 and currently works at Anel Elektrik in the capacity of Proposals Manager.



Tarık BEKMEZCİ
Domestic Projects Coordinator

After graduating in 1995 from the Yıldız Technical University Department of Electrical Engineering, Mr. Pekmezci worked at Devrektaş A.Ş. as an Electrical Division Manager between 1995-1998, subsequently he served as Electrical Energy Manager at Köseoğlu Group between 1998-2000. Joining Anel Elektrik in 2001, he is currently the Domestic Projects Coordinator.



Turgut Alp ÇOLAKOĞLU
International Projects Coordinator

Turgut Alp Çolakoğlu graduated from Yıldız Technical University Department of Electrical Engineering in 1982, after which he started his professional life at Cedetaş Mühendislik (Cedetaş Engineering) and then worked as Project Manager at Sumitomo Densetsu Co. Ltd., Tokyo over the period of 1987-1999. At Anel Elektrik since 1999, he holds the position of International Project Coordinator.



REST OF
ANEL

A Four-Seasons Success

Four Seasons Hotel

At the point where Europe meets Asia
On the shores of the Bosphorus in Istanbul
At a five-star ultra-luxury hotel,
The Four Seasons

We said we would complete
All the electrical work perfectly and on time
Never compromising on quality.
We made a promise, and we kept it.

We keep our promise!

Promise and performance: Anel Elektrik

From left to right: Ali Tireli/Domestic Projects Coordinator, Başak Ülkenli/Contracts Manager, Yücel Gümüş/Electrical Site Manager, Tarık Bekmezci/Domestic Projects Coordinator, Sadık Tanburacı/Electrical Site Technician



Contracting

International

New Doha International Airport, Qatar



Anel Elektrik, which since its foundation has completed contracting projects in 12 countries on 3 continents, is currently at work on projects abroad in Russia, Azerbaijan, Saudi Arabia, the United Arab Emirates and Qatar.

contracting projects in
12
countries

Hamad Medical City, Qatar



Anel Elektrik, which since its foundation has completed contracting projects in 12 countries on 3 continents, is currently at work on projects abroad--in Russia, Azerbaijan, Saudi Arabia, the United Arab Emirates and Qatar.

The Company has created a strong brand in the contracting segment with its successful major projects undertaken thus far, thanks to its robust cooperative efforts, particularly in the Middle East, North Africa and the Gulf Region. One step ahead of its regional competitors, Anel Elektrik will remain a presence there with new projects. And by maintaining its regional edge, the Company aims to reduce country risk to a minimum by engaging in the projects of financially sound countries.

Having become a know brand in the field of airport projects, in 2012, Anel Elektrik signed a letter of intent representing USD 287 million for the Abu Dhabi Airport. With the contracts and letter of intent the Company has signed in the contracting sector amounting to USD 446.7 million (USD 373.8 million of this amount corresponding to contracts abroad), as of the end of 2012, outstanding projects had a value of USD 565 million. Thanks to projects undertaken abroad, in Qatar, and then in Russia, Azerbaijan and the United Arab Emirates, outstanding work grew 2.5 times, and with extended geographic reach. Of the outstanding projects, 70%-75% are those contracted abroad.

With the projects it has undertaken abroad, Anel Elektrik has formed strong relations with the world's major contractors, among them Bechtel, TAV, Lindner LLC, Odebrecht, Taisei, CCC, and Hyundai.

Contracting

International



Cairo International Airport



Project - International	Project Cost (USD million)	Customer	Country	Outstanding Projects
Contracts Signed in 2012				
Abu Dhabi International Airport-New Terminal Building (Letter of Intent)	287.0	TAV-CCC-ArabTec	UAE	287.0
New Doha International Airport CP110	21.7	QIT IMAR Alec Fit Out JV	Qatar	20.14
New Doha International Airport CP99	8.6	Sixconstruct-Midmac JV	Qatar	8.6
Marriott Hotel-Sochi	24.2	KORAY	Russia	24.2
BP Head Office Building-Baku	16.7	Lindner Llc	Azerbaijan	16.7
Contracts and Letters of Intent Signed in 2012	358.2			356.64
Ongoing Projects from Previous Years				
New Doha International Airport CP18-CP 29	420.8	Taisei-TAV Sky Oryx JV	Qatar	7.56
Mecca Train Station (AnelKSA)	35.5	SAUDI Bin Ladin	Saudi Arabia	35.5
Hamad Medical City-Doha	19.7	Hyundai	Qatar	7.56
Other	20.6			19.6
Ongoing Projects	496.6			70.26
Total - International	854.8			426.91

International Projects Undertaken in 2012

Abu Dhabi International Airport (Letter of Intent)

In November 2012, Anel Elektrik received a Letter of Intent (LOI) from the main contractor of the International Abu Dhabi International Airport, PSJCC (ADAC) of the TAV-CCC-ArabTec (TCA) Consortium to become a sub-contractor in the construction of the new terminal building. The cost of the electrical project that the Company will undertake is 1,053,290,000 UAE drachmae (approximately USD 287 million). On a total area of 690,000 m², the new terminal building will be completed within 49 months and serve 27 million passengers a year. The terminal building was designed by Kohn Pederson Fox Associates (KPF), and features 106 passenger bridges and a baggage carousel of more than 22 kilometers in length with a capacity of 19,000 bags/hour.

New Doha International Airport

In addition to Anel Elektrik's ongoing contracted projects for the New Doha International Airport (NDIA), the Company has also signed a sub-contractor agreement with the Six Construct-Midmac JV, the main contractor for the airport's electrical projects, amounting to 31,408,570.94 Qatar Riyals (approximately USD 8.63 million). Again, besides the various projects already contracted and ongoing, the Company has also been commissioned to take on additional electrical projects for the TAV Sky Oryx JV, amounting to a total of 60,423,979 Qatar Riyals (approximately USD 16.6 million). Other projects, in addition to ongoing and contracted work for which the Company has been commissioned, include electrical and mechanical work for the shopping and food court areas of the airport to be executed for the QIT IMAR-Alec Fit Out JV, amounting to 78,819,215 Qatar Riyals (approximately USD 21.7 million).

Contracting

International

International Projects Undertaken in 2012



Marriott Hotel-Sochi

AnelTK, an Anel Group company operating in Russia, signed a contract with Koray İnşaat Sanayi ve Ticaret A.Ş. (Koray Construction) in August 2012 for the electromechanical infrastructure of the Marriott Hotel-Sochi construction. With a contract value of USD 24.2 million, work is planned for completion within a year.



BP Head Office Building

In July 2012, Anel Elektrik signed a contract for USD 16 million with Lindner LLC for the electromechanical work at the BP Head Office building to be constructed in Baku, Azerbaijan. The project is planned for completion within eight months.

International Projects Ongoing from Previous Years



Mecca Train Station

AnelKSA, an Anel Elektrik subsidiary in Saudi Arabia, signed a contract with the Saudi Bin Ladin Group to furnish the electromechanical installations of the Mecca train station; the contract value for this project is 380 million Saudi Arabian Riyals (approximately USD 101.3 million). The part of the project to be reflected in Anel Elektrik's financials is a 35% stake in AnelKSA representing 133 million Saudi Arabian Riyals (approximately USD 35.5 million). The project, which commenced in 2012 on the basis of appointments made at the end of 2011, is planned for completion within 24 months.



Hamad Medical City

Work on the "Low Voltage Current Electrical System" for the Qatar Hamad Medical City Project was undertaken in July 2011 at a contract value of 71.7 million Qatar Riyals (approximately USD 19.2 million). The contract was signed with Hyundai Engineering and Construction Ltd. in July. Project-related work is foreseen being completed within 30 months.

Contracting

Domestic



Marmaray Rail Tube-Tunnel Project

Anel Elektrik has to date undertaken many airport, shopping center and other prestigious projects with major contractors including, among others, TAV, Koray İnşaat, Yapı Merkezi, and Yorum İnşaat.

73.14

USD million
total project cost
for domestic
projects

In addition to the Ford Otosan Yeniköy Factory, 42 Maslak, Maçka Hotel and Garanti Bank Technology Campus projects, for which contracts were signed in 2012, and the Tuzla Trade Center, for which a letter of intent of USD 56 million was received, other domestic business totaling USD 73.14 million was generated in 2012.

As of the end of 2012, the value of outstanding domestic business, including the Marmaray Tube-Tunnel Project, ongoing since 2011, stood at a total of USD 137.98 million.

Project - Domestic	Project Cost (USD million)	Customer	Outstanding Projects
Contracts Signed in 2012			
İş GYO Tuzla Trade Center (Letter of Intent)	55.93	Koray İnşaat	55.93
Kocaeli Ford Otosan Factory	7.2	Ark İnşaat	6.33
42 Maslak Business and Shopping Center	4.14	Bay İnşaat	3.82
Garanti Bankası Technology Campus	1.58	Koray İnşaat	1.28
Maçka Hotel	4.29	Demsa	3.96
Contracts and Letters of Intent Signed in 2012	73.14		71.32
Ongoing Projects from Previous Years			
The Marmaray Project BC1 -			
Bosphorus Tube-Tunnel	62.13	Taisei	54.14
Eczacıbaşı Ormanada	11.99	Koray İnşaat	7.97
Shangri-La Istanbul Hotel	16.46	Ege Yapı	1.64
Wyndham Hotel	7.5	Kılıçbey İnşaat	1.39
Other	11.87		1.52
Ongoing Projects	109.95		66.66
Total	183.09		137.98

Contracting

Domestic

Domestic Projects Undertaken in 2012



Tuzla Trade Center (Letter of Intent)

The proposals Anel Elektrik submitted for the Tuzla Trade Center Project, to be built by Koray İnşaat Sanayii ve Ticaret A.Ş. (Koray Construction) for İş Gayrimenkul Yatırım Ortaklığı (İş Real Estate Investment Trust), have been accepted, with negotiations on the commercial Engineering and legal terms of the contract set to commence. Anel Elektrik has proposed a USD 35 million mechanical project and USD 20.75 million electrical project, bearing a total proposal value of USD 55.75 million.



Maslak 42 Business and Shopping Center

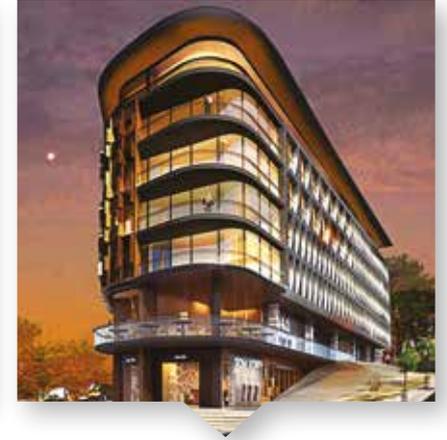
A contract corresponding to TL 7,450,000 was signed with Bay İnşaat İthalat ve Ticaret A.Ş. (Bay Construction) in September 2012 for electromechanical installation work at the Maslak Business and Shopping Center. The work included in the contract is expected to be completed within four months.

Domestic Projects Undertaken in 2012



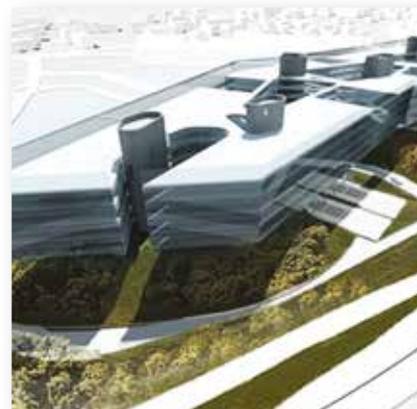
Kocaeli Ford Otosan Factory

The electrical work for the "Gölcük/Kocaeli Ford Otosan Factory Yeniköy Truck B460" project will be completed in the capacity of sub-contractor for Ark İnşaat Sanayi ve Ticaret A.Ş. (Ark Construction). The project cost is TL 12,880,000.



Maçka Hotel

The contract for electrical and mechanical installations of Maçka Otel in Istanbul was signed between Demsa İç ve Dış Ticaret A.Ş. and Anel. The total cost of the project is TL 7,450,000.



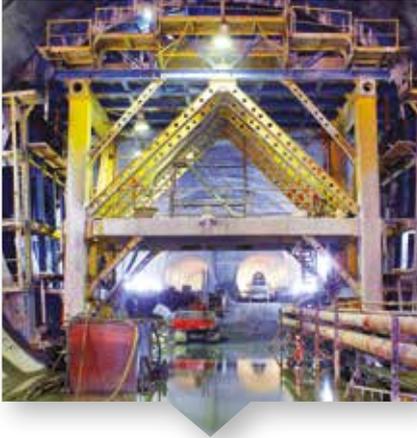
Garanti Bank Technology Campus

The contract for electrical and mechanical installations in the campus project to be constructed in Pendik, Istanbul was signed in September 2012.

Contracting

Domestic

Domestic Projects Ongoing from Previous Years



Marmaray Tube-Tunnel Project

As one of the world's largest transportation infrastructure projects, the Marmaray Tube-Tunnel is expected to accommodate 75,000 passengers/hour in one direction upon completion. The project is composed of three separate bid packages, one of which belongs to BC1. The latter will be undertaking the trans-Bosphorus section of the project. Arel Elektrik will be undertaking the electromechanical work for the Marmaray BC1 project, the sub-marine tube-tunnel that will connect the two sides of the Bosphorus; the contract for the project was signed with Japanese contracting firm Taisei Corporation in August 2011. The BC1 project is 13.5 km in length, of which 1,387 meters will constitute a sub-marine tube tunnel. The tunnel, at a depth of 56 m, will thus become the world's deepest sub-marine tube-tunnel.



Shangri-La Istanbul Hotel

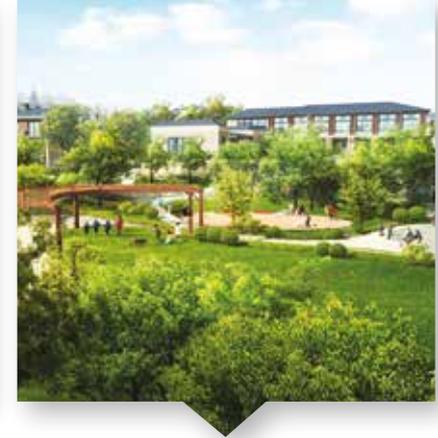
The 7-star Shangri-La Hotel, a building converted from an old tobacco warehouse located along the coast of Beşiktaş, carries the distinction of being the world's first hotel to have seven floors below sea level. It targets earning a place among the top ten deluxe hotels of the world. The project occupies a space of 44,000 m² and contracted electrical and mechanical work is ongoing.

Domestic Projects Ongoing from Previous Years



The Wyndham Hotel

The construction of this hotel is underway in Istanbul's Güneşli district on a total area of 67,000 m². Related electrical and mechanical work is ongoing.



The Eczacıbaşı Ormanada New Life Project

Designed to occupy an area of around 220,000 m² in Zekeriyaköy, Ormanada encompasses 188 villas of five styles 71 rows of four different house types. The contract for this project was signed in July 2011, and electrical and mechanical work is ongoing.

Energy

International

Chirpan, Bulgaria – 1.5 MWp GES



Dimitrovgrad, Bulgaria – 2.3 MWp GES



- Troyanovo 1.5 MWp Solar Energy Power Plant: 100% Owned by Anel Elektrik
- Dimitrovgrad 2.2 MWp GES: 100% Owned by Anel Elektrik
- Chirpan 1.5 MWp GES: 50% ownership by Anel Elektrik The remaining 50% is owned by a Turkish investor.

Within the context of solar energy power plants, the Company is active in Austria, due to AnelEnerji's relations with its commercial partner Kioto PV, and also in Bulgaria, Cyprus, Greece, and Romania on a project basis. AnelEnerji has completed the installation of solar energy plants in Greece and the Turkish Republic of Northern Cyprus.

AnelEnerji's future activities and collaborations will be shaped by the market impact of amended legislation expected in 2013.

AnelEnerji's three solar photovoltaic energy power plants installed in Bulgaria, with a total capacity of 5.2 MWp, were completed in the first half of 2012 and connected to the network in July.

5.2 MWp
power plant
installed in
Bulgaria

Energy

Domestic

AnelEnerji successfully completed numerous projects in 2012:

- Muğla Municipality Slaughterhouse - 105kWp Roof Installation (Turkey's first solar energy plant to be connected to a network),
- Ortunç Club Balikesir - 16.7 kWp Roof Installation,
- Gönen Industry Vocational School - Solar PV and Wind Energy System Installation, Total 13 kWp, 8kWp Solar PV,
- Prysmian Headquarters, Mudanya, Balikesir - 7.56 kWp Roof Installation,
- ANB Enerji, Izmir - Roof Installation, 1 kWp Thin-film (using 1 kWp silicone panel technology),
- Installation of 17 measurement stations at various locations in Turkey and the installation of remote monitoring systems.

In 2013, Turkey is expected to take a great leap forward in terms of solar energy. The EMRA (Electricity Market Regulatory Authority) announcement to the effect that licenses would be granted for a total of 600 MWp of solar energy-based electricity production in the period from May 2012 to June 2013 sparked activity in the sector, with many domestic and foreign investors taking measurements in the sun-soaked parts of the country. At the same time, investments have increased in the manufacture of panels and other equipment; in particular those used at solar energy plants.

Moreover, with the completion of relevant regulations as of September 2012, official permission has been granted for the unlicensed implementation of non-power plant solar energy applications of less than 1,000 kWp. Consequently, significantly increased demand of 500 kWp for unlicensed electrical power production is expected in 2013.

Until the end of November 2012, AnelEnerji continued to install solar energy measurement systems in preparation for the licensing process set to commence in June 2013. AnelEnerji at present has about 20 measurement stations established in connection with its licensing application.

The company's activities in 2012 were focused on identifying and making contact with potential licensed and unlicensed production investors.

In addition, in 2012, AnelEnerji won the competitive bidding for the biggest PV roof installation in Turkey to date, to be built in Muğla; the project is underway. It is the first project in Turkey for which approval has been granted for unlicensed electricity production.



Ortunç Club, Roof Installation, Balikesir / Turkey

With the start of the legal process related to licensed production, it is believed that medium- and small-sized installations will increase in number. The two potential markets in the PV sector are household installations to be made available to end-users, and medium and small-size industrial installations. Because of the dimensions and working techniques of AnelEnerji (B2B), it was foreseen that the company would be unable to accommodate small-sized end-users alone, and duly, collaboration with the Baymak Company was established. The addition of AnelEnerji's skill and competence in the PBV field to Baymak's widespread dealership network and experience in roof installations in the solar thermal sector throughout Turkey will provide a better opportunity for reaching the end-user. Particularly in 2013, this collaboration is expected to effectively service both medium and small-sized installations. In this context, the company is seeking opportunities to

collaborate with customers that own large shopping malls with suitable roofs, as well as the mega markets, parking lots and similar large spaces.

As of the end of 2012, two projects remain in progress:

1. **Antalya Royal Belek Tatgolf Hotel-Turkey's first Solar Tree Project-Total 65 kWp,**
2. **İTÜ (Istanbul Technical University) ARI 6 Teknokent-Turkey's first Solar Energy System-Integrated Building-Total 44 kWp**
3. Izmit Municipality-80 kWp solar PV installation and 3 kWp wind energy installation,
4. Samsun Ridvan Çelikel Anadolu High School-2.3 kWp roof installation,
5. Samsun Makine (Samsun Machinery)-Total 276 kWp parking lot-top installation -55 kWp installation completed.

Electronic products and services

International



Besides its activities in Azerbaijan, AnelTech works as a sub-contractor for the low-voltage and information technologies infrastructure projects that Anel Elektrik undertakes elsewhere beyond Turkey.



AnelTech is an active player in the Azerbaijani telecommunications market.

It serves companies such as Azerfon, BakCell, Alcatel and NSN in that market in projects involving preventive maintenance, microwave radio and telecommunication equipment assembly work. Besides its activities in Azerbaijan, the company works as a sub-contractor for the low-voltage and information technologies infrastructure projects that Anel Elektrik undertakes beyond Turkey.

AnelTech targets new projects not only in the telecommunications, but also the energy and public sectors, where information technologies and telecommunication infrastructures can be integrated. In addition, ongoing work with companies such as NSN and Alcatel in this country is expected to continue in 2013 as well. Other potential projects include collaboration with Azerbaijan, and with Turkcell Technology in the Middle East.

Electronic products and services

Domestic

AnelTech's projects in Turkey are concentrated on system integration and service solutions, landline and mobile telecommunication services, solutions for the defense industry, and the field of industrial and professional electronic and corporate information technologies.

AnelTech also provides Turk Telekom corporate customers with wideband data and sound infrastructure services within the scope of the Corporate Solutions Agreement signed with Turk Telekom.

As per the Corporate Solutions Agreement signed with Turk Telekom in 2012, AnelTech works with companies such as Cisco and ZTE to provide Turk Telekom customers information technologies infrastructure; this, in addition to installation and maintenance services. Additionally working with firms such as Huawei and Elkotek, the company sells modems to TTNET. Again, together with SIAE, AnelTech targets the sale of microwave IP radio links to Turk Telekom.

AnelTech also provides wideband data and sound infrastructure services to corporate customers other than the Telco Operators. In this context, the company signed a contract in 2012 to furnish the Shangri-La Hotel with data and sound infrastructure. Activities related to offering both public and private sector companies technological infrastructure solutions are set to continue in 2013. AnelTech's goal of becoming a strong player in telecom and IT sector projects; one the company set for itself in 2012, but it has been somewhat thwarted by the ongoing climate of intense competition and shrinking investment budgets. Yet in contrast, investments are expected to resume in 2013, whereby the future appears bright.

In the coming period, the company plans to be active in four main areas of business, namely telecommunications, transportation, energy distribution and the defense industry.

AnelTech has the capacity to participate as a main-contractor or sub-contractor in the State Railways rail system projects/tenders set to include the installation of signalization, electrification and communication modules being planned for the coming period.



In the defense industry, and in line with the Defense Industry Undersecretariat's plan to subsidize Turkish companies, AnelTech also plans to participate in related projects such as the Uninterrupted Power Source Project. In this context, at the beginning of 2013, an agreement was signed with Savunma Teknolojileri Mühendislik ve Ticaret A.Ş. (Defense Technologies Engineering and Trade) for an Integrated Cyber-security Project.

The company plans to participate in the competitive bidding for infrastructure projects related to data, information technologies and telecommunications. Furthermore, in the period ahead, as part of Phase II of the FATİH Project (Movement to Increase Educational Opportunities and Improve Technology), plans exist to install an Internet network in all middle schools, and the company plans on bidding robustly. The company has already taken part in a pilot implementation of a tender for tablet computers, again part of

the FATİH project, and will not only continue its relations with strategic partners in this area, but is also in discussions with various companies to explore the possibility of manufacturing tablet computers. Meanwhile, with its manufacturing space AnelEs, a subsidiary in which the Company has a 99.99% shareholding, stands to become a candidate for a manufacturing partnership for all potential candidates.

In line with the Supervisory Control and Data Acquisition System (SCADA), which privatized energy distribution companies have to set up under new regulations, the Company seeks to install such systems at various electrical power plants in the capacity of sub-contractor.

Elsewhere, in the area of mobile applications and new technologies, the Company plans to play an active role in the market after developing and producing Mobile Medical, Security and Entertainment Applications in collaboration with TURKCELL Technology.

Forum Istanbul Shopping Mall

All the world's famous brands
With multi-purpose areas
The biggest mall in the Europe
Forum Istanbul stands on an area of 450,000 m²

We promised to work meticulously
And to finish the work on time
We made a promise, and we kept it.

We keep our promise!

Promise and performance: Anel Elektrik



Trading Trust



From left to right: Mehmet Aztopal/Planning Engineer,
Nejdet Mentesh/Electrical Project Manager, Nurdan Tuncay/Contracts Manager,
Hüsni Murat Er/Occupational Health and Safety Responsible

Contributions to the community

In parallel to its dedication to sustainability, which constitutes a major part of its corporate culture, Anel places great importance on social responsibility. This is evidenced by the various social responsibility projects it undertakes, particularly in the areas of education and the arts.

Having established the Çelikel Educational Foundation in 2007, Anel continues to employ various models and applications to raise the quality of education and contribute to the progress of a new generation of young, responsible people who are aware of what it means to create value. The foundation collaborates with educational institutions, parents and civil society organizations to identify the problems and opportunities facing contemporary youth today, and to unite in search of solutions. It provides youth with opportunities for personal, social and professional development. In this context, the foundation continues to support successful students with investments and scholarships developing models that will foster future generations of principled and successful students.

Balls of Fire Scholarship Program

The Balls of Fire Scholarship Program was initiated by the Çelikel Educational Foundation during the 2012-2013 academic year based on the concept of giving young people the opportunity to enjoy their achievements in the testing system. Besides providing financial aid, the program offers students opportunities for personal and social development that will raise their quality of life. Students winning scholarships use the "culture and arts package" they receive to enjoy theater, opera, cinema, dance, concerts and other cultural events over the course of the year. Additionally, personal and social development training programs are organized for young people, providing an opportunity for them to meet experts in various areas and benefit from their vision as apprentices or volunteer workers in different projects. In addition, students are supported in their personal development with magazine subscriptions, museum cards and books, gifted as part of their scholarship packages.

Peaceful Communication with Young People

In an atmosphere where peer violence is increasing in high schools and students are bending under their parents' pressure to achieve in a test-centered educational system, the importance of establishing peaceful communications with young people is growing greater every day. The Çelikel Educational Foundation aims to keep young people away from violence and encourage cooperation between families and schools to create such communication. The "Peaceful Communication with Young People" project enjoys the support of the Directorate of National Education, and was initiated at the Ataşehir Nuri Cingilloğlu High School and the Ümraniye Anatolian High School. With financial aid provided by the Swedish Consulate, the project will be ongoing for 12 months, during which time families will be offered six-week courses free of charge, while teachers will be coached in coping with increasing incidents of peer violence among young people at school, as well as in helping their students live through incidents of violence in the home.

Wide-Angle Education Program

Aware that the support of education is a matter of improving its quality, the Çelikel Educational Foundation has set up and developed "Wide-Angle Education Programs" to help students, as well as their teachers and parents, namely the people in a position to support them. The Wide-Angle Education Program was set up to develop cooperative relations between young people, school administrations, teachers and parents in secondary schools. The program targets instruction in personal and social development, and in selecting the right profession, improving communication skills, and instilling the values of democracy. Wide-Angle Education consists of a systematic program of workshops, seminars, and sessions related to culture and the arts. The general public and civil society organizations alike were recruited into the pilot applications of the program and the curriculum was subsequently extended in scope.

A Model School: Samsun Kavak Ridvan Çelikel Anatolian High School

One of the significant steps that the Çelikel Educational Foundation took by way of contributing to raising the quality of education was to build the Kavak Ridvan Çelikel Anatolian High School in the district of Kavak, Samsun in 2008. The school was donated to the Ministry of National Education in 2010. With a capacity of 360 students, it has a dormitory housing 120 students and is equipped with a comprehensive range of equipment to enhance the educational and cultural development of its students. In 2012, the school's achievement rate in the central university exam was 77%. The Wide-Angle Program developed by the Çelikel Educational Foundation is also being implemented at the Kavak Ridvan Çelikel Anatolian High School, itself a Model School.

The Anel Group supports young artists at Gallery 5.

The Anel Group opened Gallery 5 in 2010 and continued to support the Art and artists in 2012. Over the year, Gallery 5 hosted a ceramics exhibition of works by students of the Ceramics and Glass Design Department of the Mimar Sinan University Faculty of Fine Arts, an exhibition of Caricatures on the Environment, a ceramics exhibition entitled "The Endless Journey," the "Interception" Textiles Exhibition, and a ceramics exhibition on "Tolerance."

On three days of the week, the entry floor of the Anel Business Center is devoted to music recitals given by students of the Marmara University Department of Music. This project provides these students with both income and the opportunity to showcase their talent.

The Anel Group Supports History and Culture

within the scope of the Program for Supporting Cultural Heritage. The Epos7 Association and the Supporters of the Istanbul Archeological Museum Association joined forces to organize a recital by İdil Biret on June 8, 2012 for the benefit of the ancient city of Sagalassos. The Anel Group was among the institutions to support this project.

The Anel Group also supported events commemorating the 120th anniversary of the foundation of the Istanbul Archeological Museum in September 2012, organized by the Supporters of the Istanbul Archeological Museum Association. Revenues from the evening's performance were channeled into the conversion of the museum archives and library into the digital medium.

Ridvan Çelikel, Chairman of the Board of Anel Group, is also the President of the Supporters of the Istanbul Archeological Museum Association.

Human resources



Anel Elektrik is aware that human resources are the most important element in sustaining and improving operations.

Anel Elektrik's human resources policy gives paramount importance to the individual. By consistently investing in people and being a fair, effective and objective consultant for each employee so as to strengthen in-house communication, it contributes to the Company's sustainable roadmap for development in line with corporate goals, and is designed to enhance corporate performance.

Anel Elektrik's Human Resources policies are devised to strengthen its brand image, raise and sustain its popularity rating, and therefore to employ the high caliber employees that the Company's national and international activities require. Creative and effective human resources applications have been adopted to ensure a sustainable organization where corporate values have been assimilated, high motivation prevails and employees are fully dedicated to their work.

Employee performance is periodically evaluated in terms of the performance evaluation criteria set up specifically with regards to the goals and competencies required by each job. The data acquired from evaluation interviews is used to

determine each employee's educational and personal development needs, and to prepare appropriate annual education programs, create career plans and determine salaries.

Anel Elektrik employees are supported in their career advancement, and in-house human resources are prioritized in personnel planning.

A Competence Management Model has been adopted to set up "development plans" for employees of high potential, and such individuals are identified and nurtured for professional development and leadership through this system.

Employees are given continuous professional and personal development training at various seminars in support of the development process.

A total of 1,572 people are employed at Anel Elektrik and its affiliates. The Company has the most qualified and competent work force in the sector, with engineers comprising more than 15% of the total number. And with the inclusion of technicians and mechanics, qualified employees make up 66% of the total work force.

At noon, the Anel Business Center becomes the venue for live concerts that allow employees to work in an atmosphere intertwined with music. Employees also have the opportunity to work as volunteers at the Çelikel Educational Foundation.

In 2012, the Human Resources Department was reorganized so as to increase communications with personnel and enhance employee loyalty, motivation and satisfaction. In pursuit of sustainable success, the Company's human resources system and processes are constantly reviewed and structured in line with requirements.

Information technologies



Anel Elektrik continued to work in 2012 to increase and improve its activities in the area of information technologies, productivity, infrastructure, and data security.

Anel Elektrik's activities in the field of Information Technologies in 2012 are as follows:

Work was carried out to make the SAP ERP system more widespread. In functions such as Materials Management, Sales and Distribution, Customer Services, Project Systems, Financial Accounting, Cost Accounting, and in the SAP ERP system, which went live in July 2011, each new area of production (Anel Construction Sites) incorporates sub-projects geared at this objective.

An audit of the Information Technologies Technical Infrastructure took place with those points requiring improvement being determined and amended. The Information Technologies Technical Infrastructure Audit carried out by an independent auditor was executed to ensure that related components and processes were in compliance with international best practices; deficiencies and risks were evaluated, points needing improvement were determined and further studies completed.

The review audit to be carried out in April 2013 will be noted in a progress report prepared by the independent auditor. Should any points in the technical infrastructure be found to need improvement, adjustments would continue to be made in 2013.

With the more frequent use of Microsoft Hyper-V Virtualization technologies in 2012, servers based on different hardware were consolidated to comprise fewer servers, thus achieving savings in hardware, license and energy costs.

In addition, because virtual servers are easily transferable from one physical server to another in the event of a problem, Information Technologies service interruptions were reduced and end-user satisfaction enhanced.

The Microsoft family of products was selected as the integrating platform for the ANEL Information Technologies technical infrastructure. The Forefront Unified Access Gateway 2010 (UAG) and the Forefront Threat Management Gateway 2010 (TMG) were installed to simplify the technical infrastructure. With the ANEL UAG project, end-users are able to use their managed/unmanaged PCs or mobile devices from any location to access user-friendly connection

Information technologies

choices for which they are authorized, such as SSL VPN or Direct Access, enabling remote, but secure, access to their systems. The Forefront Threat Management Gateway 2010 (TMG) was installed to provide end-users with secure and productive access to the internet without fear of being contaminated by suspect software and other threats.

Use of the new generation communications platform Microsoft Lync has been broadened. The Anel IP Switchboard Integration was completed to make use of the new generation platform, with a more widespread integration of sound, video conferences, and instant messaging.

The Anel central printing system was renewed, and the management of multifunction A3 colored printers at the Anel Business Center and a number of its branches was connected to a single center.

In the years ahead, Anel Information Technologies intends to launch the following projects:

The Digital Identity Management (Forefront Identity Management-FIM) Project, planned for completion in March 2013, will enable the digital identity management of end-users such as personnel, business partners and visitors receiving services from the infrastructure of the Anel Information Technologies system. Users in the system will have only one identity and password, and an authorization-approval work flow will determine which applications can be accessed by users, and under which authority. Where an unauthorized user is spotted in the system, an alarm is activated and authorization automatically lifted, thus ensuring the highest level of information security.

As part of the Anel Corporate Communications Portal and Document Management Project, the Anel corporate communications platform - the Intranet - will be renewed on a SharePoint infrastructure in 2013 to accommodate a more appealing social networking site.

Aside from documentation belonging to support units such as HR, Administrative Affairs, Financial Affairs, Information Technologies, Corporate Communications, and Quality, Contract Management and Procurements, all documents related to project processes will be furnished with version follow-up, access security, categorical search convenience, document content search and sharing capabilities provided by the authorization-approval work flow under the SharePoint Document Management System (DMS).

An Information Technologies service catalog will be created to carry measurable, defined and reportable data, and to determine deficiencies in the Information Technologies service levels, making the cost-sharing process more transparent and standardized.

As part of the Decision Support Reporting Project, planning data, data arising from logistics processes, financial, human resources and other process data related to contracted projects in the SAP ERP system will be summarized in the SAP BW data cubes, and using the Business Objects (BO) reporting tool. Data will be passed on to support managers, together with graphic explanations, for their use. The project, the first stage of which will commence in the first quarter of 2013, will over time be extended for the use of other Anel companies.

As it does today, Anel Information Technologies will make every effort in future years to provide the most innovative information technologies and the highest level of service possible, in step with corporate strategies and values.

Occupational health and safety



Anel Elektrik's Environment, Health and Safety Policy, formulated on the basis of prioritizing respect both for individuals and the environment, has the following goals:

- To comply with all effective laws and regulations, and to implement the programs and procedures that enable this;
- To determine Anel quality standards that will comply with, and even exceed, legal requirements regarding the environment and health and safety, and to adhere to these standards;
- To reduce risks to a minimum through the use of secure technologies and working procedures, and to safeguard employees and the environment;
- To be prepared for emergencies and set up action and improvement plans to deal with disasters;
- To make every effort to prevent the disposal of hazardous substances in the atmosphere, land or sea, reduce the amount and toxicity of waste produced, and to ensure that waste is treated and disposed of safely.

- To communicate our commitment to the environment, health and safety to employees, suppliers and customers, and to seek their contributions in reaching our environmental, health and safety goals, while supporting them in reaching their own goals;
- To explore opportunities that strengthen our dedication to these goals, and to develop occupational safety and employee health applications, and report to our shareholders on these developments.

Anel Elektrik secures the most meticulous conditions of occupational health and safety at each stage of its processes, to both national and international standards. Working on each project with a focus on its unique and general requirements, and compliance with environmental and occupational safety requirements are just a few contributing factors to Anel Elektrik's superb service standards.

In 2012, risk analyses were carried out for all construction sites, and an internal audit made of occupational safety determined deficiencies, which were later eradicated.

Occupational health and safety

Site supervisors and occupational safety personnel were trained in relevant laws and regulations, and on the required applications.

Separate risk analyses were carried out for the various components of the manufacturing process. Related personnel were informed of the results of the risk analyses in training sessions. The analyses were revised when changes to the manufacturing process were made.

Emergency action plans were created for all sites and fire and evaluation drills were undertaken. Practical fire prevention training sessions were also organized.

Occupational safety rules were set up and meetings were held at least once a month to discuss safety and examine the reasons for any accidents that might have occurred with a view to preventing future occurrences.

Newly hired personnel were furnished with reports that are renewed annually on any heavy or hazardous tasks they would be performing.

Particularly in the case of site-concentrated jobs, personnel are trained to be aware of the utmost importance of workplace safety, and in order to ingrain a sense of proper safety and occupational health, the following measures are taken:

- On-the-job training sessions include informing personnel daily, before starting on the job, of the special hazards of the work to be carried out that day, and the measures to be taken to ensure safety;

- In the field checks carried out daily, inappropriate work practices are noted and instantly remedied, with additional coaching of erring personnel to correct these practices;
- All employees receive basic workplace safety training before recruitment, and are informed of their legal rights and responsibilities, the warning signs around the site, and the use and importance of personal protective gear when working with scaffolding, lathes and stepladders.

Additionally, in 2012, "Training for Personnel Responsible for Occupational Safety" was offered by Class-A occupational safety specialists to site supervisors and personnel responsible for occupational safety; at the same time, Occupational Health and Safety Board members were provided with education in "Workplace Safety Rules and Regulations."

As a result of this meticulous approach, accident rates at Anel Elektrik work sites are much lower than at other enterprises in the sector. Anel Elektrik's success in this area has been documented by the awards it has received from the contractors it has worked with.

The environment



Anel Elektrik places particular importance on protecting the environment during the completion of its projects. All efforts are made to protect natural resources and reduce potential environmental hazards to a minimum. To this end, the Company adheres to all related laws and regulations.

Anel Elektrik produces its own energy at its head office building in the Anel Business Center by means of solar PV installations on the roof and terrace, obtaining a part of the building's energy needs from these facilities.

The Company's prioritized goal is to produce a minimum of waste, and to recycle whatever waste may result from production. Waste that cannot be recycled is disposed of in an environmentally safe manner and in compliance with effective laws. The coordination of disposing of hazardous and electrical waste and the recycling of electrical waste is carried out by the AnelDoğa integrated recycling company, an Anel Group enterprise.

A screen positioned in the hall at the Anel Business Center monitors and reports daily declines in greenhouse gases.

Anel Elektrik is the holder of ISO14001 certification. TÜV Thüringen carries out regular inspections to ensure system effectiveness. The Company also plans to obtain Leed certification.

REST OF
ANEL

At the Center of Technology

Sabancı Nanotechnology Center

With advanced technologies
Shaping the future
A center of pioneering research
Sabancı Nanotechnology Center

We promised to work with dedication
To install electrical and mechanical systems promptly
We made a promise
And we kept it.

We keep our promise!

Promise and performance: Anel Elektrik

From left to right: Osman Şanoğlu/Mechanical Technical Office Manager
Ahmet Kılıç/Mechanical Site-Section Manager, Yeşim Çoban/Mechanical Design Manager,
Münevver Çakıroğlu/Quality Responsible, Soner Tirit/Systems and Networks Specialist



Financial information

Summary Income Statement - TL	2012	2011
Revenues	306,910,339	357,044,134
Gross Profit	46,529,667	52,256,724
Gross Profit Ratio	15.16%	14.64%
Operational Profit	16,377,069	41,195,274
Operational Profit Ratio	5.34%	11.54%
Net Profit	3,782,594	22,891,831
Net Profit Ratio	1.23%	6.41%

Summary Balance Sheet - TL	01.01.2012- 31.12.2012	01.01.2011- 31.12.2011
Current Assets	356,014,825	396,961,412
Fixed Assets	235,715,949	240,190,880
Total Assets	591,730,774	637,152,292
Short-term Liabilities	200,360,611	224,132,289
Long-term Liabilities	144,854,067	164,562,088
Total Liabilities	345,214,678	388,694,377
Shareholders' Equity	246,516,096	248,424,579
Total Resources	591,730,774	637,118,956

Risk management and internal auditing

Risk Management Committee

A Risk Management Committee has been established at Anel Elektrik, in line with the Circular on the Principles of Corporate Governance published by the Capital Markets Board.

Working under the supervision of the Board of Directors, the Committee's aim is to monitor potential risks and develop appropriate policies to operate risk management processes.

The Risk Management Committee:

- Creates an effective internal control system to identify potential risks that may inhibit the attaining of corporate goals, and to evaluate, monitor and manage such risks;
- Follows up on integrating risk management and internal control systems with the corporate organization, and monitors efficiency;
- Measures, reports and employs risk controls in risk management and internal control systems.

Internal Control and Auditing

The auditing operations of Anel Elektrik follow International Internal Auditing Standards and the proactive methodology of the Anel Group Code of Ethics. The specialized Anel Group Auditing Unit Team conducts its audits under the headings of financial, operational, risks, processes, legal compliance, work ethics, and misconduct, examining determined processes and topics by year.

All of Anel Elektrik's centers of activity are audited in terms of basic financial values and process assessments on the basis of thematic inspections determined at each working period.

Auditing topics are determined and shared with the relevant company units at the beginning of each year, after which risk-based auditing plans are drawn up. The results of audits are published within the Company without delay, and the necessary remedial measures taken. The assessments are reviewed periodically and improvements introduced into the system.

Information on other activities

Work taken in addition to the Contract for the Electrical Installations of the Gölcük/Kocaeli Ford Otosan Factory, Yeniköy Trucks B460 Assembly and Welding Building

The material disclosure of August 27, 2012 announced the addition on October 1, 2012 of the "Yeniköy Trucks B460 Paint Atelier and Painting Preparation Building Electric Installation" for a value of TL 2,680,000 to the contract signed at a cost of TL 10,200,000 between the Company and Ark İnşaat Sanayi ve Ticaret A.Ş. for the construction of the Gölcük/Kocaeli Ford Otosan Factory Yeniköy Trucks B460 Assembly and Welding building electrical installations.

The work included in the amended contract is planned to be completed within 16 months.

Together with the additional contract cost, the total contract, which amounts to TL 12,880,000, represents 8.4% of the sales shown in the most recent financial statement (01.01.2012-30.06.2012); the amended contract represents 1.7% of the sales shown in the most recent financial statement (01.01.2012-30.06.2012).

Establishment of a New Company

At the November 13, 2012 meeting of the Company's Board of Directors, it was decided that a private limited company would be formed for Anel Elektrik Proje Taahhüt ve Ticaret A.Ş., with head offices in Jeddah. The new company was founded to carry out electrical contracting work, with registered capital determined at SAR 100,000.00 (One hundred thousand Saudi Arabian Riyals). It was decided that Anel Elektrik Proje Taahhüt ve Ticaret A.Ş. would acquire a 99% stake, and that Anelsis Mühendislik Sanayi ve Ticaret Ltd Şti. (Engineering Company) would own the remaining 1%.

Receipt of a Letter of Intent for the new terminal building of the Abu Dhabi International Airport

On November 27, 2012, the Company received a Letter of Intent (LOI) from the main contractor of

the International Abu Dhabi International Airport, PSJCC (ADAC) of the TAV-CCC-ArabTec (TCA) Consortium, to sign a contract as sub-contractor for construction of the new terminal building. The cost of the electrical work that the Company will undertake for the new terminal building is 1,053,290,000 UAE Drachmae (approximately USD 287 million). Set to occupy a total area of 690,000 m², the new terminal building will be completed within 49 months and serve 27 million passengers a year. The terminal building was designed by Kohn Pederson Fox Associates (KPF) and features 106 passenger bridges and a baggage carousel more than 22 kilometers in length with a capacity of 19,000 bags/hour. The project constitutes 92% of the total assets announced in the Company's last financials (September 30, 2012) and 243% of sales revenues.

Receipt of a Letter of Intent for work to be undertaken in addition to the ongoing project for the New Doha International Airport

In addition to the ongoing contracted projects for the New Doha International Airport (NDIA), the Company also received a Letter of Intent of QAR 26,500,974.51 (approximately USD 7.3 million) from the main contractor Six Construct-Midmac JV on November 30, 2012 to undertake additional electrical work as a sub-contractor. It is foreseen that the work included in the Letter of Intent will take 8 months to complete. The cost of the work corresponds to 6% of the sales shown on the latest financial statements of September 30, 2012, and to 2.3% of total assets.

Signing of Contract with Bay İnşaat İthalat ve Ticaret A.Ş. (Bay Construction, Import and Trade Co.)

In addition to the contract signed between the Company's subsidiary, AnelMekanik Tesisat Taahhüt A.Ş., in which it has a 57% shareholding, and Bay İnşaat İthalat ve Ticaret A.Ş. on September 24, 2012 for the mechanical installations of the Maslak Business Center and Shopping Mall project, a new contract was signed between the Company and Bay İnşaat

İthalat ve Ticaret A.Ş. on December 4, 2012, for the undertaking, as sub-contractor, of all electrical installations in the same project. The cost of this contract is TL 3,650,000 and completion of the work is foreseen taking 4 months. The cost of the new contract corresponds to 1.7% of the sales revenues shown on the most recently announced financial statements of September 30, 2012.

Start of Contract Discussions with Koray İnşaat Sanayii ve Ticaret A.Ş. (Koray Construction)

The proposals submitted for the mechanical and electrical installations to be undertaken as sub-contractor at the Tuzla Trade Center Project, to be built by Koray İnşaat Sanayii ve Ticaret A.Ş. (Koray Construction) for İş Gayrimenkul Yatırım Ortaklığı (İş Real Estate Investment Trust), were accepted, and the decision made to start negotiations on the commercial and legal terms of the contract on December 5, 2012. The proposals submitted by the Company to Koray İnşaat Sanayii ve Ticaret A.Ş. for the mechanical project amount to USD 35,000,000, and those for the electrical project to USD 20,750,000, with the total proposal being valued at USD 55,750,000. The public will be informed of any subsequent developments.

Start of the Human Resources Director's Term of Office

Nesrin Bayraktar, who had held the position of Anel Group Human Resources Director by proxy, was definitively appointed to the post as of December 28, 2012.

Qatar Convention Center - Letter of Guarantee and Receivables

The Company's contracting business for the Qatar Convention Center remains ongoing following the change in the main contractor. Receivables at the completion of the project amounted to USD 6,610,485.17, which has increased to USD 8,977,102.22 due to the encashment of the Company's letter of guarantee. Because of the unfair encashment of

the letter of guarantee, it has become necessary to seek legal action to redeem the part of the receivable amounting to USD 2,257,449.

The payment to the Company by the main contractor of the mentioned income amounting to USD 6,610,485.17 began upon the requests of the main employer and the main contractor, and it is foreseen that the receivable will be collected in the first quarter of 2013. Legal proceedings concerning the unfair encashment of the letter of guarantee were initiated on December 28, 2012, and the general public will be kept informed of subsequent developments.

The Letter of Guarantee and the Adjustment of Total Receivable Amounts concerning the Qatar Convention Center Project, as announced on December 28, 2012

Our material disclosure of December 28, 2012 announced that the amount on the letter of guarantee was erroneously entered, and that the letter of guarantee actually amounted to USD 2,366,203.50. The USD 6,610,485.17 in the way of receivables to be paid at the end of the project now amounts to USD 8,976,688.67, due to the unfair encashment of the letter of guarantee. Disregarding the mathematical adjustments made on January 3, 2013, the Material Disclosure of December 28, 2012 is valid as is.

Appointment of the Treasury and Strategic Planning Group Manager

On January 4, 2013, Cenk Bartın was appointed to the position of "Treasury and Strategic Planning Group Manager" at Anel Holding, of which the Company is a part.

Signing of the Contract with the Six Construct-Midmac JV and Updating of Amounts

In addition to the ongoing contracted projects for the New Doha International Airport (NDIA), it was announced that the company had also received a Letter of Intent of QAR 26,500,974.51 (approximately USD 7.3 million) from the

Information on other activities

main contractor Six Construct-Midmac JV on November 30, 2012 to undertake additional electrical work as a sub-contractor. With the addition of the new work to the scope of the letter of intent, a contract was signed with the main contractor Six Construct-Midmac JV on January 24, 2013 for QAR 31,408,570.94 (approximately USD 8.63 million). It is foreseen that the work included in the contract will take eight months to complete. The cost of the work corresponds to 7.24% of the sales shown in the latest financial statements of September 30, 2012, and to 2.74% of total assets.

Vacating of the Post of Shareholder Relations Department Manager

The Company's Shareholder Relations Department Manager Özlem McCann vacated her post as of February 22, 2013.

Start to the Term of the Shareholder Relations Department Manager

Önder Mutlu Bulut, a Corporate Governance Rating Surveyor, and the holder of an Advanced Level License for Capital Market Operations, who was appointed to the post of Shareholder Relations Department Manager, commenced work in his new capacity as of February 25, 2013.

Contract Signed with Sera Yapı Endüstrisi ve Ticaret A.Ş. (Sera Building Industries)

The Company signed a contract with Sera Yapı Endüstrisi ve Ticaret A.Ş. on March 1, 2013 for the initial construction stage of the South Zone of the EMAAR Square Project to be built in Istanbul, involving the setting up of the work site and the electrical installation work. The cost of this contract is TL 1,135,000 and work is foreseen being completed within 1.5 months. The cost of the new contract corresponds to 0.5% of the sales shown on the most recently announced financial statements of September 30, 2012.

Signing of the Contracts Related to the ISGYO Tuzla Commercial Center Project with Koray İnşaat A.Ş. (Koray Construction)

The Company disclosed the following on December 5, 2012:

"The proposals Anel Elektrik submitted for the Tuzla Trade Center Project, to be built by Koray İnşaat Sanayii ve Ticaret A.Ş. (Koray Construction) for İş Gayrimenkul Yatırım Ortaklığı (İş Real Estate Investment Trust), were accepted and a decision was made to start negotiations on the commercial and legal terms of the contract. The proposals submitted by the Company to Koray İnşaat Sanayii ve Ticaret A.Ş. for the mechanical project amount to USD 35,000,000, and those for the electrical project to USD 20,750,000, with the total proposal valued at USD 55,750,000. The public will continue to be informed of any further developments."

On the basis of this announcement, the contractual discussions that ensued between the Company and Koray İnşaat Sanayii ve Ticaret A.Ş. resulted in the raising of the project cost from USD 55,750,000 to USD 55,925,000 in a contract signed on April 2, 2013. The cost of the contract signed corresponds to approximately 48% of the sales shown in the financial statements of September 30, 2012.

Capital Increase at the Anel Emirates General Contracting LLC Company

With Resolution No. 1 of the Company Board of Directors on April 3, 2013:

It was decided that the capital of our affiliate in Abu Dhabi, United Arab Emirates, Anel Emirates General Contracting LLC, would be raised from Drachmae 150,000 (approximately TL 73,800) to Drachmae 1,800,000 (approximately TL 885,000), and that the Company would participate in the increase in proportion to its held shares. We respectfully submit this information for the perusal of the general public."

Investor relations

Anel Elektrik shares have traded on the Borsa Istanbul since June 16, 2010. The raised capital of the Company consists of a nominal value of TL 110,000,000, with each share, amounting to a total of 110,000,000 shares, having a nominal value of 1 TL each.

Our Company shares are traded on the Borsa Istanbul under the ANELE symbol and have a market value of TL 234,300,000 as at December 31, 2012.

Share Code	2012 Year-end Closing Price (TL)	Highest Price in the Year (TL)	Lowest Price in the Year (TL)
ANEL E	2.13	2.46	1.86

Anel Elektrik news and financial data may be accessed by visiting the Company website, or else obtained from the Investor Relations Department at the following contact details:

Tel : 0216 636 20 00
 Fax : 0212 636 25 00
 E-mail : investor.relations@anel.com.tr
 Web : www.anel-elektrik.com

Agenda of the ordinary general assembly

Agenda of the Ordinary General Assembly of Anel Elektrik Proje Taahhut ve Ticaret A.Ş.

1. Opening and election of the General Assembly Committee;
2. Approval of the authorization granted to the General Assembly Committee for the signing of the minutes of, and list of attendees for the General Assembly of Shareholders;
3. Presentation of, discussion on, and approval of the Annual Report of the Board of Directors Corporate Governance Compliance Report for 2012;
4. Presentation of, discussion on, and approval of the Auditor's Report, and Independent Auditor's Report for 2012;
5. Presentation of, discussion on, and approval of the 2012 balance sheet, income/loss statement, and accounts;
6. Releasing Directors and auditors severally for Company transactions in 2012;
7. Informing Shareholders regarding the profit distribution policy for 2012 and subsequent years, in accordance with Capital Markets Board regulations;
8. Discussion on profit distribution for the 2012 fiscal period, and on the Board of Director's proposal for the date of distribution;
9. Amendment to Article 10 regarding the Board of Directors, and Article 13 regarding the General Assembly of the Company's Articles of Association in compliance with pertinent provisions of the Turkish Commercial Code and Capital Markets Board regulations, provided that necessary approval has been obtained beforehand from the Capital Markets Board and the Ministry of Customs and Trade;
10. Presentation of the "Internal Directive" prepared by the Board of Directors in accordance with Article 367 of the Turkish Commercial Code for General Assembly approval;
11. Resolving the election of new Directors and of the term of office of new Directors;
12. Presentation of the Internal Directive on General Assemblies prepared in accordance with Article 419 of the Turkish Commercial Code, and its submission for General Assembly approval;
13. Re-election of Directors, whose terms of office have expired;
14. Approval of the selection of an Independent Auditing Firm by the Board of Directors in accordance with the Turkish Commercial Code and Capital Markets Board regulations;
15. Informing shareholders on the "Pricing Policy" developed for Directors and Executives in accordance with Capital Markets Board regulations, and on payments made within the scope of this Policy;
16. Determination of, and resolving of benefits to be provided to Directors, such as remuneration and attendance fees;
17. Authorizing the Company Board of Directors to buy, sell and/or procure the construction of property;
18. Authorizing controlling shareholders, Directors, Company executives, their spouses and their blood or non-blood relatives to the third degree of relationship in accordance with Articles 395 and 396 of the Turkish Commercial Code, and briefing the General Assembly on transactions to be carried out in accordance with Capital Markets Board regulations in 2012;
19. Pursuant to Capital Markets Board regulations, briefing the General Assembly on collateral, pledges, and mortgages given to third parties, and income or interest earned in 2012;
20. Briefing the General Assembly on transactions entered into with related parties in 2012;
21. Briefing the Shareholders on donations and aid provided by our Company in 2012; and
22. Comments and closing.

Amendment to the articles of association

Original Version BOARD OF DIRECTORS ARTICLE 10

The business operations, representation and management of the Company shall be executed by the Board of Directors comprised of seven members to be elected by the General Assembly from among the shareholders, or the candidates nominated by the shareholders in accordance with the provisions of the Turkish Commercial Code and Capital Markets Board regulations.

The number and qualifications of the independent board members to be designated shall be determined in accordance with Capital Markets Board regulations concerning corporate governance.

Five of the members of the Board of Directors shall be elected by the General Assembly from among Group (A) shareholders, or the candidates nominated by them.

The term of office of Board Members shall be three years. Those Board Members whose terms of office have expired can be designated again for a maximum further period of three years. If the position of one of the members is vacated for any reason, or if the Independent Member of the Board of Directors is no longer independent, before the expiration of the three-year period, the other members of the Board of Directors are obliged to designate a new member to the position in accordance with Turkish Commercial Code Article No. 315 and Capital Markets Board regulations concerning corporate governance. The term of office of the new member shall provisionally continue until the first General Assembly to be held, and where the General Assembly approves the permanence of the designated new member, their term of office extends to cover the remaining term of office of the previous member. If required by the General Assembly, the Members of the Board of Directors can be changed at any time.

New Version BOARD OF DIRECTORS ARTICLE 10

The Company is managed by a Board of Directors of at least five members, who are elected by the General Assembly in accordance with Capital Market Board regulations for at least three years.

The number and qualifications of the independent board members to be designated shall be determined in accordance with Capital Markets Board regulations concerning corporate governance.

Excepting Independent Members, all members are elected by the General Assembly from among Group (A) shareholders, or the candidates nominated by them.

If the position of one of the members is vacated for any reason, or if the Independent Member of the Board of Directors is no longer independent, the Board of Directors shall temporarily select a person, who satisfies the requirements specified in the Articles of Association and by legal requirements, as Director, and submit to the next General Assembly for approval in accordance with Article 363 of the Turkish Commercial Code and Corporate Governance guidelines published by the Capital Market Board, and the Director so appointed shall act as a Director until the General Assembly during which s/he is to be reviewed for approval, and shall serve for the rest of the term of his/her predecessor if approved by the General Assembly.

Amendment of the articles of association

Board Members must be appointed from among candidates with basic knowledge of the legal and technical framework of the Company's operations, and who have the ability to read and analyze the Company's financial statements, who have experience in company management and who are graduates of a tertiary educational institution.

The Board of Directors shall meet as frequently as Company operations require. The Article and provisions of the Turkish Commercial Code shall be applied regarding the meeting and resolution quorum. Capital Market Law and Capital Markets Board regulations are reserved. Board Members shall each hold an equal right to vote regardless of their position and fields of duty. The meetings of the Board of Directors are generally held at the Company headquarters.

The duties, rights and authorization granted to the independent Board Members according to Capital Markets Law and applicable legislation are reserved. The Board of Directors is obliged to establish the committees and commissions as set forth by legislation. Apart from these committees, they can establish other commissions and committees designated to execute the application of the decisions and policies related to the Company's operations, or to monitor these committees. For the establishment of such committees, as well as their duties and working principles, capital markets legislation shall be applicable.

The Board of Directors shall establish a secretary subordinated to the Chairman to serve all members, and to facilitate communication and coordination among members.

Meetings of the Board of Directors and the committees ensure that the minutes of the meeting and the related documentation are kept regularly and also that an archived record of correspondence including Board of Directors announcements is regularly kept.

Board Members must be appointed from among candidates who have basic knowledge of the legal and technical framework of the Company's operations, who have the ability to read and analyze the Company's financial statements, who have experience in company management and who are graduates of a tertiary educational institution.

The Board of Directors shall meet and make resolutions in accordance with the provisions of the Turkish Commercial Code pertinent to meeting and resolution quorums. The Capital Market Law and the regulations of the Capital Markets Board are reserved.

The duties, rights and authorizations as granted to the independent board members in the Capital Markets Law and applicable legislation, are reserved. The Board of Directors is obliged to establish the committees and commissions as set forth in legislation. Apart from these committees, they can establish other commissions and committees designated to execute the application of the decisions and policies related to the Company's operations, or to monitor these committees. For the establishment of such committees as well as their duties and working principles, capital markets legislation shall be applicable.

The remuneration of Board Members shall be determined by the General Assembly. The General Assembly shall determine the remuneration of both independent and non-independent Board Members in compliance with Capital Markets legislation.

To be able to effect the transactions of controlling shareholders, Board Members, senior executives and their spouses, relatives and next of kin up to the second degree, and which may cause conflict of interest, or else compete with the Company or its subsidiaries, prior approval of the General Assembly is required, and information must be provided on

The remuneration of Board Members shall be determined by the General Assembly.

The General Assembly shall determine the remuneration of independent and non-independent Board Members in compliance with Capital Markets legislation.

To be able to effect the transactions of controlling shareholders, Board Members, senior executives and their spouses, relatives and next of kin up to the second degree, and which may cause conflict of interest, or else compete with the Company or its subsidiaries, prior approval of the General Assembly is required, and information must be provided on such transactions at the General Assembly.

GENERAL ASSEMBLY ARTICLE 13

At General Assembly meetings, the following principles shall be applicable:

a) Invitation: The General Assembly convenes ordinarily or extraordinarily. The provisions of the Turkish Commercial Code and Capital Markets legislation are applied regarding the invitations to the General Assemblies.

such transactions at the General Assembly. In the event that a legal entity is elected as a Director, a real person appointed on behalf of such legal person shall also be registered and promulgated. In addition, the registration and promulgation shall be immediately announced on the website of said legal entity. Only the person whose name is registered on behalf of the legal person is allowed to attend and vote on behalf of the legal person during meetings.

It is mandatory for directors and real persons registered on behalf of legal persons to have full legal capacity.

The Board of Directors is authorized to delegate, in whole or in part, the management of the Company to one or more Directors, or to any third person based on an "Internal Directive" to be prepared in accordance with Article 367 of the Turkish Commercial Code.

The Board of Directors is also responsible for preparing an Internal Directive which will contain working principles and procedures for the Board of Directors, and of which elements are to be determined by the Ministry of Customs and Trade, and for submitting the same to the General Assembly for approval and implementation of the same. The Internal Directive shall be registered and promulgated.

GENERAL ASSEMBLY ARTICLE 13

At General Assembly meetings, the following principles shall be applicable:

a) Invitation: The General Assembly convenes ordinarily or extraordinarily. The provisions of the Turkish Commercial Code and Capital Markets Legislation are applied regarding invitations to the General Assemblies.

Amendment of the articles of association

b) Meeting Periods: The ordinary General Assembly convenes within three months from the end of the Company's accounting period, and at least once in a year, while the Extraordinary General Assembly convenes as necessary.

c) Voting and Proxy Appointment: Group A shareholders attending the Ordinary and Extraordinary General Assembly meetings or their proxies have 2 (two) votes per share and other shareholders or their proxies have 1 (one) vote per share. The arrangements of the Capital Markets Board for voting are reserved.

d) Proxy Appointment: Shareholders may be represented by proxies to be appointed from among themselves, or externally at General Assembly Meetings. The representatives having shares in the Company are authorized to vote on behalf of the shareholders they represent other than their own votes. If one share is owned by multiple shareholders, the relevant shareholders can exercise their right to vote only through a single proxy, in accordance with Turkish Commercial Code, Article No. 373/II. The arrangements of the Capital Markets Board for voting by proxy are reserved.

b) Meeting Periods: The Ordinary General Assembly convenes within three months from the end of the Company's accounting period, and at least once a year, while the Extraordinary General Assembly convenes as necessary.

c) Participating in the General Assembly by Means of Electronic Communication: Any shareholder who is entitled to attend a General Assembly meeting may do so by means of electronic communication in accordance with Article 1527. Pursuant to the Regulation on the General Assembly convened by means of electronic communication, the Company may set up an e-General Assembly system or procure any system which is developed for this purpose such that any shareholder is able to attend, express his/her views, make comments, and cast his/her vote electronically. At any meeting held by the General Assembly the shareholders and their proxies shall be allowed to exercise their respective rights under said Regulations via the system to be thus set up.

d) Voting and Proxy Appointment: Group A shareholders attending the ordinary and extraordinary General Assembly meetings, or their proxies, have 2 (two) votes per share, and other shareholders or their proxies have 1 (one) vote per share. The arrangements of the Capital Markets Board for voting are reserved.

e) Meeting and Resolution Quorum: The provisions of the Turkish Commercial Code are applied regarding the meeting and resolution quorum of General Assemblies without prejudice to Article 18 of the Articles of Association. However, as per the seventh paragraph of Article 11 of Capital Market Law, at the General Assembly meetings to be held for consideration as specified in the second and third paragraphs of the Turkish Commercial Code, Article No. 388, the meeting quorums as set forth in Turkish Commercial Code Article No. 372 shall be applicable. The arrangements under Turkish Commercial Code Article No. 374 are reserved.

f) Meeting Venue: General Assemblies are held in a convenient location in the city where the Company headquarters is located. The General Assembly meeting shall be held to ensure that it does not lead to any inequality among shareholders, and shareholders incur the least possible cost to encourage maximum attendance. For that purpose, the General Assembly meetings are held at the headquarters, or any location where the shareholders are domiciled by a numerical majority. The announcements related to General Assembly Meetings shall be made in accordance with the procedures as set forth in legislation, and at least three weeks in advance in order to ensure the attendance of the maximum number of shareholders.

e) Proxy Appointment: Shareholders may be represented by proxies to be appointed from among themselves, or externally at General Assembly Meetings. The representatives holding shares in the Company are authorized to vote on behalf of the shareholders they represent other than their own votes. If one share is owned by multiple shareholders, the relevant shareholders can exercise their right to vote only through a single proxy, in accordance with Turkish Commercial Code, Article No. 432. The arrangements of the Capital Markets Board for voting by proxy are reserved.

f) Meeting and Resolution Quorum: The provisions of the Turkish Commercial Code are applied regarding the meeting and resolution quorum of the General Assemblies without prejudice to the Article 18 of the Articles of Association. However, as per the seventh paragraph of the Article 11 of the Capital Markets Law, at the General Assembly meetings to be held for the considerations as specified in the third, fourth, and fifth paragraphs of the Turkish Commercial Code, Article No. 421, the meeting quorums as set forth in the Turkish Commercial Code, Article No. 418 shall be applicable. The arrangements under Turkish Commercial Code, Article No. 436 are reserved.

g) Meeting Venue: General Assemblies are held at a convenient location in the city, where the Company headquarters is located. The General Assembly meeting shall be held to ensure that it does not lead to any inequality among shareholders, and shareholders incur the least possible cost to ensure maximum attendance. For that purpose, the General Assembly meetings are held at the headquarters, or at any location where the shareholders are domiciled by a numerical majority.

Report on compliance with corporate governance principles

ANEL ELEKTRİK PROJE TAAHHUT VE TICARET A.Ş.

2012 Report on Compliance with Corporate Governance Principles

1. Statement of Compliance with Corporate Governance Principles

Our Company aims to add value for our partners, employees, stakeholders, the environment and society by ensuring Company compliance with corporate governance principles.

Our goal is to provide our stakeholders, as well as our Company with the maximum value in the field of investor relations, based on our principles of transparency, accountability and reliability.

Pursuant to Communiqué No. 56, Serial IV on the Setting out and Implementation of the Principles of Corporate Governance published by the Turkish Capital Markets Board, the Company's management team aims to comply with obligations resulting from capital market legislation as a whole, and hence has taken almost all necessary actions to achieve this goal. Within the scope of these actions, an Audit Committee, Corporate Governance Committee, and Early Risk Detection Committee have been established. In addition, organizational structures for the Nomination and Remuneration Committees have been determined, and working principles specified such that they function under the supervision of the Corporate Governance Committee. All principles thus set out, and related developments have been posted on the Company website.

SECTION I - SHAREHOLDERS

2. Investor Relations Unit

The Investor Relations Unit has been active since our Company commenced being publicly traded. The unit reports to the Corporate Governance Committee and the Chief Financial Officer. Its primary responsibilities are listed below:

- To keep shareholders' records in an up-to-date, secure and reliable manner,
- To respond to shareholders' written inquiries regarding the Company, without disclosing confidential business information,
- To ensure that the General Assembly adheres to current legislation, the Articles of Association and other Company regulations
- To draft documents that will be of interest to shareholders during the General Assembly,
- To record voting results and ensure that related reports are sent to the shareholders,
- To observe and keep track of any matter regarding public disclosures, including legislation and the Company's information disclosure policy.

The Company has replied to approximately 200 inquiries received from investors and analysts regarding operations, financial performance, share price, and General Assembly information concerning the Company during the period in accordance with the "Company's Information Disclosure Policy".

The contact information of the Investor Relations Unit is as follows:

Investor Relations Unit:		
Özlem MCCANN		
Investor Relations Manager	ozlem.mccann@anel.com.tr	+90 216 636 22 53
Özgün ÖKTEN		
Assistant Investor Relations Officer	ozgun.okten@anel.com.tr	+90 216 636 21 83

Adress: Anel İş Merkezi Saray Mahallesi Site Yolu Sokak No: 5/4 Umraniye İstanbul

3. Shareholders' Right to Information

To ensure easy shareholder access of Company information, all disclosed information related to our Company is posted on our website (www.anel-elektrik.com), under the Investor Relations section. Verbal and written inquiries from shareholders to the Investor Relations Unit have been responded to in the shortest possible time, without bias, and in line with the principles of equality, on condition that they have already been made public, and did not include any confidential business information.

The issue of the individual right to appoint a special auditor as stated in the Articles of Association, and as recommended in the Corporate Governance Principles, is not referred to in our Company's Articles of Association. There was no request to appoint a special auditor during the year.

4. Information on the General Assembly

The Ordinary General Shareholders Assembly Meeting for 2012 was held with a quorum of 50.54%, on May 23, 2012. No other General Assembly was held during the year. Announcements regarding the

assembly were posted three weeks prior to the meeting in the Turkish Trade Registry Gazette, in national newspapers Hürses and Dünya, and also in both the Borsa İstanbul Bulletin and on our Company website. Neither the stakeholders, nor the media, were in attendance. We paid special attention to publish announcements through various channels in a timely manner to facilitate participation in the assembly. The annual report and financial statements were made available at the headquarters for the review of our shareholders. All this information, along with the announcement and agenda of the assembly were also posted on our website. Shareholders did not propose any suggestions, but attending shareholders voted at the assembly.

Geared at compliance with Communiqué No. 56, Serial IV dated 12.30.2011 on the Setting Out and Implementation of the Principles of Corporate Governance published by the Turkish Capital Markets Board, the 2012 Ordinary General Assembly resolved to insert, the following provisions of the Communiqué into the Company's Articles of Association: "Corporate Governance Principles, which the Capital Market Board

Report on compliance with corporate governance principles

requires companies to comply with, shall be complied with. Any transaction entered into, or any resolution passed by the Board of Directors in violation of these requirements shall be deemed void and non-compliant to the Articles of Association.”

“The corporate governance guidelines of the Capital Markets Board shall apply to all transactions deemed to be material in terms of the implementation of Corporate Governance Principles, all transactions entered into by the Company with related parties, and the granting of collateral, pledges, and mortgages in favor of third persons.” The minutes of the General Assembly are available at the Company headquarters for the review of shareholders. They are also posted on our website (www.anel-elektrik.com). It is not deemed necessary to set a specific period for shareholders to register their names on the stock register in order to attend the General Assembly, as all shares of our Company are registered to their respective bearers.

5. Voting Rights and Minority Rights

General Assemblies and their quorums are subject to the provisions of the Turkish Commercial Code. Our Company's shares are divided into group A and group B. Shares belonging to group A are privileged. One Group A share has two (2) voting rights, while one group B share has one (1) voting right at General Assembly meetings.

Shareholders can be represented at the General Assembly by other shareholders, or by their delegates to be designated externally, as part of Capital Markets Board's legislation on the right to vote by proxy. Company shareholders are entitled to vote in their own name, and in the name of the shareholder they are representing.

The CMB Communiqué concerning the right to exercise cumulative voting is optional for Publicly Traded Companies. The Company currently does not make use of the cumulative voting method.

Due care is taken to implement minority shareholders' rights in accordance with Capital Markets Board legislation. Our Company is not involved in any cross-shareholding relationship.

6. Right to Dividend

The Company's dividend policy has been clearly defined in the Articles of Association (Article 17), and in particular in principles set out by the Capital Markets Board. For this reason, it was not deemed necessary to draft another policy and present it to the General Assembly. The date and method of distribution is decided by the General Assembly, upon recommendation of the Board of Directors and in line with the Capital Market Law.

7. Share Transfer

All of our Company shares are registered to their respective bearers, and their transfer is subject to the provisions of the Turkish Commercial Code. There are no limitations of any kind in the Articles of Association on our Company with respect to the transfer of shares.

SECTION II - PUBLIC DISCLOSURE AND TRANSPARENCY

8. Disclosure Policy

The Company's Disclosure Policy has been drafted in line with the Corporate Governance Principles of the Capital Markets Board and aims to completely, correctly and in a timely manner inform Company shareholders and all other stakeholders.

Information that does not fall under the definition of confidential business information is disclosed in this context. The Company's Disclosure Policy is published under the Corporate Governance section of the Investor Relations page on the Company's website (www.anel-elektrik.com).

Anel Elektrik Proje Taahhut ve Ticaret Anonim Şirketi (“Anel”) uses methods defined in the “Disclosure Policy” to disclose information that is deemed mandatory under the Capital Markets Law and other related legislation. The Disclosure Policy of Anel aims to simultaneously, actively and transparently disclose information to shareholders, investors, employees, customers, and all other stakeholders in a thorough, fair, accurate, timely, understandable and easily accessible manner, in line with the provisions of related legislation. The implementation of the Disclosure Policy is the responsibility of Rıdvan ÇELİKEL, Chairman of the Board, and Mukaddes ÇELİKEL, Vice Chairman of the Board.

Information on the Anel website is updated after each public disclosure. Anel Elektrik follows-up news and rumors concerning the Company, and discloses information in line with its obligations under Public Disclosures if deemed appropriate or necessary.

9. Corporate Website and its Content

The address of the corporate website is www.anel-elektrik.com. attempts are made to publish all related information regarding Section III, Article 2.2.2. of the Corporate Governance Principles of the Capital Markets Board under the Investor Relations section of the corporate website.

The corporate website contains the following information:

Company Information

- Articles of Association
- Trade Registry Information
- Information on Preferred Shares
- Shareholding Structure
- Board Members
- General Assembly Information
- Annual Reports

Corporate Governance

- Dividend Distribution Policy
- Disclosure Policy
- Code of Ethics
- Corporate Governance and Audit Committee Members
- Corporate Governance Compliance Reports

Information about Publicly Traded Shares

- Public Disclosures
- Initial Public Offering Prospectus
- Distribution of Publicly Traded Shares

Financial Statements

- In this section, the Company publishes Audited and Unaudited Balance Sheets, as well as the Income Statement, Profit Distribution Statement, Cash Flow Statement, Owner's Equity Statement, and notes to the Independent Audit Report for past periods.

A Presentation on our Company

Investor Relations Unit

Contact Information

Form for Proxy Vote

In addition, information on corporate social responsibility projects is also published on the Company website.

Report on compliance with corporate governance principles

10. Annual Report

The Company's annual reports are prepared in accordance with Turkish Commercial Code, Article No. 6102 and criteria set out in Communiqué No. 56, Serial IV on the Setting out and Implementation of the Principles of Corporate Governance published by the Turkish Capital Markets Board.

SECTION III - STAKEHOLDERS

11. Informing Stakeholders

Stakeholders are those parties who have direct relations with our Company, our activities and our goals, and include our investors, suppliers, customers, employees and other members of the population with personal interests in our Company.

Anel Elektrik strives to make executive decisions in a just, fair, transparent and accountable manner, and to carry out its responsibilities to these groups in the most ethical and appropriate manner possible.

Shareholders, investors and analysts can access the Company's financial statements, annual reports and other related information on the Company website. In addition, they may contact the Investor Relations Unit by phone or email: investor.relations@anel.com.tr. Employees are informed at various events, or through the Company's Intranet system, although the mechanisms necessary for stakeholders to inform the Corporate Governance Committee or Audit Committee of any illegal or unethical actions of Company are also in place. Some important announcements, however, are e-mailed directly to employees. Necessary steps are taken to ensure a two-way communication flow between our management and employees.

12. Participation of Stakeholders in Management

There is no special provision concerning the participation of stakeholders in management in our Articles of Association. Rather, requests and proposals are reviewed and implemented during the regular meetings of the directors.

13. Human Resources Policy

Our Company's major human resources objective is to constantly develop the skill sets of our employees, who have the main impact on the achieving of our objectives and strategies, the expansion of our corporate capabilities and the level of added value generated.

We aim to have a loyal, capable workforce that will take the Company into the future and adhere to Anel's values. To achieve this, we provide development opportunities for our employees; we create opportunities that unearth their potential and encourage their support of the Company, while rewarding their achievements.

Human resources processes are actively implemented in line with this goal. Employee goals are set upon their first day of work, and evaluated after six months with a general assessment being made at the end of the year. Financial targets are reviewed monthly.

A 360-degree performance assessment is provided once a year, depending on the competencies required for the position and targets set for the individual. We aim to reward our employees based on their responsibilities and the value they add to the organization.

To contribute to personal and professional development, the Company organizes training sessions which, in turn, directly contribute to its success. The Company constantly evaluates and restructures its human resource systems and processes based on the current requirements to ensure ongoing success in 2013.

14. Code of Ethics – Social Responsibility

The Code of Ethics, adhered to by the Company and its employees, has been set by the Board of Directors, and is published under the Corporate Governance section of the Investor Relations page on the Company website (www.anel-elektrik.com). This Code of Ethics is the bedrock of the Company's corporate governance structure.

The Çelikel Education Foundation, which we founded in 2007, aims at cooperating with educational institutions, parents, and NGOs with a view to raising individuals who are creative, responsible, open-minded, and open to innovation. The Foundation jointly identifies and addresses the challenges and opportunities faced by youth in today's world. As such, it creates personal, social, and professional development opportunities. The Foundation grants scholarships to approximately 400 successful students in need per year. With this scholarship program, the Company aims at improving our country's education level, providing more students with better conditions, and improving the quality of life enjoyed by our youth. In addition, with the help of volunteers, our scholars also have the opportunity to attend training/development camps and mentorship programs, and to work as an intern.

As an important step in our efforts to enable wider and easier access to education, we constructed the Samsun Kavak Rıdvan Çelikel Anatolian High School, which we subsequently donated to the Ministry of Education in 2008. With a capacity of 360 students, Kavak Rıdvan Çelikel Anatolian High School not only stands out for its fully-equipped classrooms, its 150 capacity conference hall, its modern laboratories and its comfortable modern study and rest areas that provide home-like amenities, but also for its academic achievements.

The "Best Practices in Education Conference: Samsun Workshop" was held at the Kavak Rıdvan Çelikel Anatolian High School with the assistance of the Çelikel Education Foundation. It was organized as part of the "Education Reform Initiative" (ERI), launched in 2003, within the Istanbul Politics Center at Sabanci University, and aims to ensure "Quality Education for All."

We are aware that improving education requires more than the construction of schools alone. This is why we have implemented other activities to increase the overall quality of education. The Broad Perspective Creative Development Program, developed for this purpose, is made up of activities that support the individual, social and professional development of students, teachers and parents. The program takes a broad view of high school education, and is developed with a comprehensive and holistic approach that encompasses the target audience, content and content providers. The program lasts for one academic year and includes seminars, workshops and training classes, as well as arts and social activities tailored for students, teachers and parents.

Report on compliance with corporate governance principles

The Broad Perspective Creative Development Program's pilot implementation took place last year at the Kavak Rıdvan Çelikel Anatolian High School, with the program officially being launched at İstanbul Umraniye Anatolian High School during the 2011-2012 academic year. The project is being implemented in Samsun with the cooperation of Ondokuz Mayıs University, and in İstanbul with Bogaziçi University.

Social responsibility activities carried out by the Company in 2012 covered the following main themes:

Cultural Social Responsibility Activities İdil Biret performed a recital within the scope of the Cultural Heritage Support Program - a joint project undertaken in cooperation with the İstanbul Archeology Museum Society and the Epos7 Association - to raise funds for the Sagalassos Ancient city on June 4, 2012.

The İstanbul Archeological Museum celebrated its 120th anniversary in February 2012. Celebrations for the Museum, which occupies a prominent place in the world's cultural heritage, were organized by the İstanbul Archeology Museum Society under the sponsorship of Anel Group. The funds raised on the night of the event were utilized to transfer the museum's archives/library into the digital medium.

Social Responsibility Activities in Art

Anel Group fully recognizes the importance of art in both life and education, and therefore puts great emphasis on artistic and cultural activities. Galeri 5, located at the entrance of the Anel Business Center, hosts exhibitions of national and international artists from diverse disciplines in an attempt to contribute to the development of art, and to provide young artists studying fine art with the opportunity to showcase their talent.

Exhibitions in 2012:

- Young artists - IV Ceramics Exhibition (Students from Department of Ceramics and Glass Design, Mimar Sinan Fine Arts University),
- Environmental Caricature Exhibition (Group Exhibition),
- Endless Journey - Ceramics exhibition (Tuzum Kizilcan & Omur Tokgoz),
- Interception Textile Exhibition (Group Exhibition of Norwegian and Turkish Artists),
- Tolerance Ceramics Exhibition (Group Exhibition).

As part of a project undertaken in cooperation with students from the Department of Music, at Marmara University a live performance is given on the first floor of the Anel Business center on three days of every week. This project enables students to earn some income while showcasing their talents.

Social Responsibility Activities in Education

Social responsibility activities carried out by Anel group in the field of education are intended to support the activities of the Çelikel Education Foundation.

Main projects undertaken by the Çelikel Education Foundation

1. Alev Topları Scholarship Program

The Alev Topları Scholarship Program –initiated in the 2012-2013 academic year – is based on the idea of enabling young students to permanently transfer their success registered in exams into their lives in general. The program has a holistic approach in that it not only provides financial assistance, but also personal and social development opportunities to students. With

the “cultural & artistic package” provided to students, grantees are also able to participate in cultural activities throughout the year, such as theatre performances, operas, movies, dance events, or concerts. They are also provided with personal and social development training, as well as mentorship support, and are able to meet experts to enhance their vision, enjoy internship opportunities, and undertake voluntary work in various projects.

In addition, free subscriptions to magazines, a museum pass (+), and books given to students heighten the sense of privilege in being part of a special program.

2. Peaceful Communication with Youth Project

The Çelikel Education Foundation launched the “Peaceful Communication under Youth” project at two high schools within the auspices of the Ministry of National Education. The purpose of this project, which is fully financed by the Swedish Embassy in Turkey, is to ensure peaceful dialog with youth, both at home and in the classroom.

The Çelikel Education Foundation, which believes that this can only be achieved by facilitating cooperation between teachers and parents, launched the project in cooperation with Atasehir Nuri Cingillioglu High School and Umraniye Anatolian High School. The duration of the project will be 12 months. Parents will be provided with a 6-week course at no charge within the scope of “Cooperation with Teachers and Parents for the Peaceful Communication with Youth Project”. In addition, teachers will be well equipped to address issues such as peer pressure, and domestic violence. The issues to be covered at the Positive Parenting Course will include peaceful communication methods, helping our children learn for themselves, the setting of boundaries, and recognizing the rights of youth and those of our own.

3. Wide Angle in Education Program

Activities carried out within the scope of Wide Angle Programs with the cooperation of youth, angle management, teachers, and parents at secondary education schools cover the following themes: personal and social development; effective occupation selection; development of communication skills; adoption of the principles of respecting human rights and democratic citizenship; and building the culture of democracy. The Wide Angle Programs include various systematically implemented workshops, seminars, and cultural and artistic activities. Care was taken to ensure that concerned public agencies and NGOs participated in the pilot implementation, and that program content was diversified.

SECTION IV – BOARD OF DIRECTORS

15. Structure and Composition of the Board of Directors and Independent Members

The Board of Directors has seven members. There are five executive and two non-executive board members.

Full Name	Position/Title
Rıdvan Çelikel	Chairman
Avniye Mukaddes Çelikel	Vice Chairman
Ahmet Bülent Batukan	Director
Mahir Kerem Çelikel	Director
Merve Şirin Çelikel	Director
Cahit Düzel	Independent Director
Prof. Dr. Ahmet Münir Ekonomi	Independent Director

Report on compliance with corporate governance principles

Rıdvan ÇELİKEL (Chairman)

Rıdvan Çelikel graduated from the Electrical Engineering Department of Yıldız Technical University. In 1975 he started his career at Oneren Muhendislik, and was a partner of Aktek Elektrik between 1983 and 1985. In 1986 he founded Anel Elektrik and continued his career in the fields of contracting and project development. Mr. Çelikel continues his duties as Chairman of Anel Group companies. He is a founding member of the Electrical Installation Engineers Association (ETMD), and currently serves as its Vice Chairman.

Avniye Mukaddes ÇELİKEL (Vice Chairman)

Avniye Mukaddes Çelikel graduated from the Chemical Engineering Department of Istanbul University. Since 1986, she has been a Board Member and the President of the Support Services Department at Anel Group companies. She is a Board Member of the Çelikel Foundation.

Mahir Kerem ÇELİKEL (Member of the Board)

Having graduated from Robert College in 1999, Mahir Kerem Çelikel completed his tertiary education at the Department of Mathematical Sciences and Electrical Engineering in 2004. In 2007 he received his MBA from Bogaziçi University, and is currently a member of the Board of Directors of Anel Elektrik Proje Taahhut ve Ticaret A.Ş.

Merve Şirin ÇELİKEL (Member of the Board)

Merve Şirin Çelikel received her degree from the Electric and Electronic Engineering Department of Berlin Technical University in 2008. In December 2012, she received her MBA from INSEAD University, where she studied as a scholarship student. In November of 2008, she started her career as a Project Engineer at Hexagon Global Enerji, which specializes in alternative energy investments. Between 2009 and 2011, she simultaneously held the titles of Project Quality Manager; Health, Safety and Environmental Coordinator, and Tender Coordinator at Siemens Enerji A.Ş.. From January-September 2011, she served as Tender Manager at Siemens Wind Power Group before joining Anel Group in the same year. She is the Marmaray Project Manager at Anel Elektrik, and is a Board Member at Anel Elektrik, AnelEnerji and AnelDoga.

Ahmet Bülent BATUKAN (Member of the Board)

Ahmet Bülent Batukan graduated from the Middle East Technical University Department of Mathematics in 1976. He completed his Master's degree at the Business Management Department of Gazi University. Between 1976 and 1981 he served as Ankara Region Vice-Sales Manager at Koç Burrough Bilgisayar Sistemleri Tic. A.Ş.; as Ankara Regional Manager and Istanbul Mainframe Department Manager at Saniva A.Ş. (Sperry Univac) between 1981 and 1988; as General Manager at Kavala Grup Teleteknik A.Ş. between 1988 and 1991; as Founding Partner and General Manager at Setus A.Ş. between 1991 and 1998; and as a Member of the Board at Setkom A.Ş. from 1998 to 2005. Since 2005, Mr. Batukan has been a Board Member of Anel Group companies Anel Elektrik, AnelTech, AnelMak, AnelMarin, ESistem, AnelMek and AnelEnerji.

Prof. Dr. Ahmet Münir EKONOMİ (Independent Member of the Board)

Prof. Dr. Ahmet Münir Ekonomi graduated from the Faculty of Law, at Istanbul University in 1955 and received his PhD. from the Department of Labor Law in the Faculty of Law, at Munich University. He first became Associate Professor and then Professor at Istanbul Technical University. He taught Labor Law at Istanbul University, and Engineering and Technology at Galatasaray University. In addition to Anel Group, Ahmet Münir Ekonomi serves as a consultant for Akbank T.A.Ş., Eczacıbaşı Holding A.Ş., Türk Ekonomi Bankası A.Ş., Turk Telekom A.Ş., PharmaVision Holding A.Ş, Japon Tutun Urunleri Pazarlama A.Ş. and Unilever Holding A.Ş. He also served as a Trustee of the Yasar, Education and Culture Foundation for a period of time. He is currently a Board Member of the Istanbul Foundation for Culture and Arts, the Dr. Nejat Eczacıbaşı Science and Arts Foundation, as well as of the Istanbul Modern Art Foundation, the Istanbul Museum of Modern Art and the Istanbul Archeology Museum Society. Ahmet Münir Ekonomi meets all the requirements of an independent Member of the Board specified in the Corporate Governance Principles published by the Capital Markets Board. Additionally, he has no relationship of any kind with Anel Elektrik Proje Taahhut ve Ticaret A.Ş., or any related party thereof.

Cahit DÜZEL (Independent Member of the Board)

Cahit Düzel graduated from the Business Administration and Economy School of Robert College in 1971. In the period of 1989-2005, he was the Corporate Affairs Director at Philip Morris Sabancı A.Ş., and a Director in Philsa A.Ş. Since 2005, he has been a Managing Partner of PAL Danismanlık Ltd. Sti. and Chairman of the Board of Directors of Menzel Kimya A.Ş.

Cahit Düzel meets all the requirements of an independent Member of the Board specified in the Corporate Governance Principles published by the Capital Markets Board. Additionally, he has no relationship of any kind with Anel Elektrik Proje Taahhut ve Ticaret A.Ş., or any related party thereof.

Report on compliance with corporate governance principles

Member of Board of Directors	Other Entities She/He Serves
Rıdvan Çelikel	Chairman of Anel Group of companies
Avniye Mukaddes Çelikel	Vice Chairman of Anel Group of companies
Merve Şirin Çelikel	Director of Anel Group of companies
Ahmet Bülent Batukan	Director of Anel Group of companies
Mahir Kerem Çelikel	-
Prof. Dr. Ahmet Münir Ekonomi	Consultant to Akbank T.A.Ş., Eczacıbaşı Holding A.Ş., Turk Ekonomi Bankasi A.Ş., Turk Telekom A.Ş., PharmaVision Holding A.S, Japon Tutun Urunleri Pazarlama A.Ş. and Unilever Holding A.Ş.
Cahit Düzel	Managing partner of PAL Danışmanlık Ltd. Sti and Chairman of Menzel Kimya A.Ş.

Other than the Company's operations, our Board Members can be active in the operations as defined in the non-competition clause of the Turkish Commercial Code. In addition to this, our Board Members, excluding independent members, can also serve as board members of other Anel Group companies. As stated in the Articles of Association, all members of the Board of Directors must be elected by the General Assembly from Group A shareholders, or their respective candidates.

16. Working Principles of the Board of Directors

The Board of Directors convenes when required to do so according to the Company's operations, and as set out in the Articles of Association. The draft for the provisional agenda is prepared by the Chairman.

The meeting quorum is calculated as half of the total number of Board Members plus one. It meets in line with principles set in the Turkish Commercial Code and the Articles of Association, with a decision quorum being a simple majority of participants. The secretary notifies members about meetings by email and telephone.

In 2012, the Board of Directors held 30 meetings. None of the members of the board voted against any resolutions adopted by the Board of Directors.

The Chairman and the Board Members do not hold privileged voting rights. All members and the Chairman hold equal voting rights.

17. Number, Structure, and Independence of Committees Established by the Board of Directors

The Audit and Corporate Governance Committees established by the Company continued their activities in 2012. The Early Risk Detection Committee was established to comply with Corporate Governance Principles, and organizational structures for the Nomination and Remuneration Committees have been determined. Working principles for these committees were specified such that they function under the supervision of the Corporate Governance Committee. All principles thus set out, and related developments, have been posted on the Company website.

The existing organizational structure of the Board of Director requires that Independent Member of the Board Prof. Dr. Ahmet Münir Ekonomi be the chairperson of all Committees, while the other independent Member of the Board of our company, Cahit Düzel, is a member of the committees. Committee members are as follows:

Corporate Governance Committee	Full Name	Status
Chairman	Prof. Dr. Ahmet Münir Ekonomi	Independent Member
Member	Cahit Düzel	Independent Member
Member	Ahmet Bülent Batukan	Executive

- This Committee was established to support and assist the Board of Directors by monitoring the Company's compliance with Corporate Governance Principles; nominating members of the Board of Directors; setting out the Company's

approach, principles and practices for the evaluation of remuneration and performance of Company Directors and Executives, and for the career planning thereof, by overseeing activities pertaining to investor relations in accordance with Capital Markets Board regulations.

- The Committee is formed, mandated by, and also reports to the Board of Directors. It has the authority to procure legal and professional consultancy services from external service providers, to invite experts to attend its meetings, to obtain information as necessary, or to invite any executive to its meetings when necessary in the performance of its duties. The costs of consultancy services required by the Committee are covered by the Company.
- The Committee functions in accordance with the mandate and responsibilities vested in it. It makes recommendations to the Board of Directors, with final discretion belonging to the Board of Directors. The duties and responsibilities of the Committee are as follows:
 - Setting out Corporate Governance Principles, ensuring their adoption throughout the Company, and making recommendations regarding corrective actions for implementation;
 - Overseeing compliance with internal regulations preventing conflict of interests among directors, executives, and other Company employees, and the abuse of trade secrets;
 - Assessing, and making recommendations regarding the structure and method of committee operations;
 - Closely monitoring developments and trends in corporate governance, and assessing the applicability of such developments and trends in the Company's management;

Report on compliance with corporate governance principles

- Determining the term of office of members of the Board of Directors and of committees, and making recommendations regarding the periodic rotation of members; and,
- Supervising the work of the Investor Relations Unit.

The Corporate Governance Committee has two sub-committees directly reporting to it, namely the Nomination Committee and Remuneration Committee. The duties and responsibilities of these two committees are as follows:

Nomination Committee

- To identify candidates for the post of Board Member and present them to the General Assembly for election;
- To nominate candidates for the post of Member of the Board vacated for any reason whatsoever;
- To evaluate candidates for the post of Board Member, and whether they satisfy the independency requirement, and to document their opinion on this matter in a report submitted for Board of Directors approval;
- To obtain a written statement attesting that candidates for the post of Board Member are independent within the definition of the Corporate Governance Principles published by the Capital Markets Board from the candidates at the time of nomination;
- To organize orientation courses and training sessions for Board Member;
- To make recommendations on the organization and efficiency of the Board of Directors; and

- To evaluate the performance of each Board Member and executive by setting out annual targets for them on an annual basis; to determine the Company's approach, principles and practices on carried planning and to oversee them.

Remuneration Committee

- To make recommendations on remuneration guidelines for Board Member and executives on the basis of long-term Company objectives;
- To determine remuneration criteria that are dependent on both Company and individual performance; and
- To submit its recommendations on remuneration for directors and executives to the Board of Directors by taking into account the degree to which criteria are fulfilled.

Audit Committee	Full Name	Status
Chairman	Prof. Dr. Ahmet Münir Ekonomi	Independent Board Member
Member	Cahit Düzel	Independent Board Member

The Committee shall, in accordance with applicable Capital Markets Board legislation, review the matters raised as a result of its assessment, and report its recommendations to the Board of Directors with a view to assisting it in overseeing the Company's accounting system, operational and activity risks, disclosure of financial information, and functioning and effectiveness of the independent audit and internal control system.

The Committee is formed, mandated by, and reports to the Board of Directors. It has the authority to invite Company employees, representatives of the Company's related parties, including its subsidiaries, internal and external auditors (Auditors), and experts to its meetings for information, and to procure legal and professional consultancy services from external service providers. The cost of consultancy services required by the Committee shall be covered by the Company.

The Committee functions according to the mandate and responsibilities that are vested in it and makes recommendations to the Board of Directors, with which the final authority rests.

Early Risk Detection Committee	Full Name	Status
Chairperson	Prof. Dr. Ahmet Münir Ekonomi	Independent Board Member
Member	Cahit Düzel	Independent Board Member

The Committee is formed, mandated by and also reports to the Board of Directors. The Committee has the authority to procure legal and professional consultancy services from external service providers, and to invite experts to attend its meetings to obtain information as necessary, or else to invite any executive to its meetings when necessary. The costs of consultancy services required by the Committee shall be covered by the Company.

The Committee functions according to the mandate and responsibilities that are vested in it and makes recommendations to the Board of Directors, with which the final authority rests.

18. Risk Management and Internal Control Mechanisms

Risk management and internal auditing mechanisms were specified and implemented by the Board of Directors to assess the Company's current and potential risks, and take necessary measures.

Internal Auditing, as per the guideline accepted by the Board of Directors, aims to audit, develop, and improve all Company activities, and to add value to the Group by providing independent and objective advice and assurance. It develops systematic approaches to assess and improve the efficiency and productivity of the Company Headquarters, as well as of Risk Management, Internal Control and Management Processes to assist the Company in achieving its goals.

Internal Auditing Activities Include the Following:

1. To audit every Company operation and activity.
2. The Audit Group's activities cover assessing whether the Company functions properly and complies with guidelines set by the Board of Directors for Risk Management, Internal Control and Management Processes or not. These tasks under assessment are as follows:
 - a) To correctly address and effectively manage all financial and operational risks that may have a negative impact on the Company's activities;
 - b) To maintain effective communication with relevant units and departments for the items involved in the auditing process;
 - c) To ensure that financial, managerial and operational information deemed important for the Company's activities are up-to-date, reliable and accurate;

Report on compliance with corporate governance principles

- d) To ensure that all employees comply with Company policies, procedures and principles, ethical stipulations, standards and related legislation;
- e) To ensure efficient procurement and use of all available Company resources;
- f) To ensure a constant drive for quality and improvement as part of the Company's internal control processes;
- g) To ensure that important legal and regulatory issues that concern the Company's activities are communicated to the relevant units and departments;
- h) To ensure that critical issues relating to managerial control, efficiency and corporate identity are discussed and evaluated with related upper management.

19. Strategic Goals of the Company

The Company has been safeguarding our future, and enabling our core values to cohabit with those of others by sharing them to provide added value to our communities and the world we live in, as well as to the entities and organizations with which we have worked since 1986. We have been taking steps toward becoming a global Company based on the concept of sustainable relations with all social stakeholders, and on fostering international quality standards-compliant and engineering-oriented services and products, with the dynamism that results from our enthusiastic, innovative, and pioneering organizational structure. Accordingly, our Company harbors a fundamental respect both for the individual and the broader environment, into which we channel our team spirit, reliability, and solution-oriented approach.

We work, produce, develop, and improve ... based on the motto "Today for tomorrow."

20. Financial Benefits Provided to the Board of Directors

Board Members receive an attendance fee as set by the General Assembly, with executive members also receiving a fee. In 2012, Board Members received a total of TRL 1,419,000, including attendance fees.

The "Guidelines for Remuneration of Directors and Executives" were approved by the Board of Directors in 2012. These guidelines ensure that remuneration practices are planned, implemented, and managed in compliance with pertinent legislation, as well as the scope and structure of Company activities, long-term objectives and strategies, ethical values, and internal balances. These guidelines are posted on the corporate website (www.anel-elektrik.com) the under Corporate Governance section.

The Company has extended no loans or credit to any Board Member, nor has it given any guarantees or sureties in their favor during the period.

Statement of responsibility

RESOLUTION OF THE BOARD OF DIRECTORS ON APPROVAL OF FINANCIAL STATEMENTS RESOLUTION DATE: April 12, 2013 RESOLUTION NO.: 03

DISCLAIMER PURSUANT TO ARTICLE 9 OF SECTION THREE OF COMMUNIQUÉ NO. 29 (SERIAL NO XI) OF THE CAPITAL MARKETS BOARD

We hereby declare the following:

- a) We have reviewed the consolidated financial statements of the Company for the year ending December 31, 2012, which were prepared in accordance with International Accounting Standards/International Financial Reporting Standards published by the International Accounting Standards Board, and which were approved by the Board of Directors under resolution No. 03 dated 04.12.2013 pursuant to Communiqué No. 29 (Serial XI) on the Guidelines for Financial Reporting in the Capital Market" of the Capital Markets Board,
- b) To our knowledge, within the scope of our duties and responsibilities at the Company, the consolidated financial statements do not contain any misrepresentation on material issues, or any omission that may render them misleading as of the date of disclosure, and
- c) To our knowledge, within the scope of our duties and responsibilities at the Company, the consolidated financial statements, which were prepared in accordance with applicable financial reporting standards, honestly represent the assets, liabilities, financial standing, and profit & loss situation of the Company together with all material risks and uncertainties that it faces.

Sincerely,



Avniye Mukaddes Çelikel
Vice Chairman



Adnan Ek
CFO

ANEL ELEKTRİK PROJE TAAHHÜT VE TİCARET A.Ş.

AND ITS SUBSIDIARIES

CONVENIENCE TRANSLATION INTO ENGLISH

OF CONSOLIDATED FINANCIAL STATEMENTS

AS OF DECEMBER 31, 2012

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

To the Board of Directors of
Anel Elektrik Proje Taahhüt ve Ticaret A.Ş.

1. We have audited the accompanying consolidated balance sheet of Anel Elektrik Proje Taahhut ve Ticaret A.S. (the Company) and its subsidiaries (collectively referred as, the "Group") as of December 31, 2011 and the related consolidated statements of income and cashflow for the period then ended and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards issued by the CMB. 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 audit 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 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.

Basis for Qualified Opinion

4. The group started at the end of 2011, CP 77 Qatar-coded electrical and mechanical works project, the main employer has stopped because the main job is canceled. Incurred by the Group in relation to this project, and the accompanying financial statements Ongoing Construction Contracts to the item on the assets and reported in the financial statements attached to the cost of unbilled trade receivables amounting to USD 2.787.061 in the amount of USD 694.000 reported by the verification could not be obtained for the receivables to be collected. The Company's management, the accompanying financial statements, the amounts charged as an expense are not recognized and highly likely to consider that question not impaired.

Opinion

5. In our opinion, the accompanying consolidated financial statements 4 Excluding the impact of the substance, including Anel Elektrik Project Contracting and Trading Co., Ltd. financial position and its subsidiaries as of December 31, 2012, the same date its financial performance and its consolidated cash flows for the year then ended, in accordance with the financial reporting standards issued by the Capital Markets Board and flows.

Without qualifying our opinion, we draw attention to the following matter:

Anel Group's subsidiary Energy Elec. First sec. Ve Tic. Co., DAG-08 OOD, Golden Sun OOD, Emirates Anel Anel companies in KSA and Energy Company OOD Bonev as of 31.12.2012 issued by the Capital Markets Board's consolidated financial statements prepared in accordance with financial reporting standards, audit firm to another has been audited by the audit were issued after 29.03.2013, 28.02.2013, 28.02.2013, 01.04.2013 and 27.02.2013 are unqualified opinion dated.

Istanbul, 12 April 2013

AC İSTANBUL ULUSLARARASI BAĞIMSIZ DENETİM VE SMMM A.Ş.
Member of ENTERPRISE WORLDWIDE

Atilla ZAIMOĞLU
Managing Partner

ANEL ELEKTRİK PROJE TAAHHÜT VE TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARIES
AUDITED
CONSOLIDATED BALANCE SHEETS AS OF DECEMBER 31, 2012

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

	<u>Notes</u> <u>Ref.</u>	<u>Current Period</u> <u>31.12.2012</u>	<u>Prior Period</u> <u>31.12.2011</u>
ASSETS			
Current Assets		355.172.803	396.961.412
Cash and Cash Equivalents	6	16.334.806	87.175.966
Financial Assets	7	-	152.740
Trade Receivables			
- Due from Related Parties	37	11.189.115	12.048.851
- Other Trade Receivables	10	102.809.154	114.433.876
Costs and Estimated Earnings in Excess of Billings on Uncompleted Contracts	15	134.334.347	116.828.926
Other Receivables			
- Due from Related Parties	37	15.837.392	5.462.034
- Other Receivables	11	5.882.763	5.877.160
Inventories	13	33.039.123	27.840.816
Other Current Assets	26	35.746.103	27.141.043
Non-Current Assets		235.720.686	240.190.880
Trade Receivables			
- Due from Related Parties	37	-	-
- Other Trade Receivables	10	-	-
Other Receivables			
- Due from Related Parties	37	400.000	400.000
- Other Receivables	11	52.860	117.493
Financial Assets	7	46.296	222.022
Investments According to Equity Method	16	23.268.430	16.303.979
Investment Property	17	120.630.071	117.239.553
Property, Plant and Equipment	18	28.085.377	13.921.895
Intangible Fixed Assets	19	2.214.457	234.183
Goodwill	20	173.385	173.385
Deferred Tax Assets	35	57.353.288	83.843.277
Other Noncurrent Assets	26	3.496.522	7.735.093
TOTAL ASSETS		590.893.489	637.152.292

The accompanying accounting policies and explanatory notes are an integral part of these consolidated statements

ANEL ELEKTRİK PROJE TAAHHÜT VE TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARIES
AUDITED
CONSOLIDATED BALANCE SHEETS AS OF DECEMBER 31, 2012

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

	<u>Notes</u> <u>Ref.</u>	<u>Current Period</u> <u>31.12.2012</u>	<u>Prior Period</u> <u>31.12.2011</u>
LIABILITIES			
Current Liabilities		199.479.707	224.132.289
Financial Liabilities	8	34.735.936	50.150.235
Trade Payables			
- Due to Related Parties	37	7.790.981	12.290.890
- Other Trade Payables	10	53.711.673	40.802.394
Billings in Excess of Costs and Estimated Earnings on Uncompleted Contracts	15	7.291.942	11.002.960
Other Payables			
- Due to Related Parties	37	5.685.541	2.809.459
- Other Payables	11	20.190.750	6.503.157
Employee Benefits	24	409.995	574.868
Taxes on Income	35	4.224.065	3.963.733
Other Current Liabilities	26	65.438.824	96.034.593
Non-Current Liabilities		144.871.326	164.562.088
Financial Liabilities	8	86.364.285	80.242.098
Trade Payables			
- Due to Related Parties	37	160.052	-
- Other Trade Payables	10	-	-
Employee Benefits	24	834.435	686.475
Deferred Tax Liabilities	35	55.832.357	81.043.143
Other Long-Term Liabilities	26	1.680.197	2.590.372
EQUITY CAPITAL		246.542.456	248.457.915
Equity Attributable to Equity Holders of the Parent		217.418.729	223.061.920
Paid Capital	27	110.000.000	110.000.000
Share Premium	27	1.384.433	1.339.604
Revaluation Reserves	27	866.692	1.190.779
Foreign Currency Translation Difference	27	12.839.177	18.161.347
Actuarial (Gain) / Loss Fund	24, 27	(89.612)	(32.384)
Restricted Reserves	27	2.955.734	1.357.003
Retained Earnings	27	89.446.841	65.780.075
Profit of The Period	36	15.464	25.265.496
Minority Interests	27	29.123.727	25.395.995
TOTAL LIABILITIES		590.893.489	637.152.292

The accompanying accounting policies and explanatory notes are an integral part of these consolidated statements

ANEL ELEKTRİK PROJE TAAHHÜT VE TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARIES
AUDITED
CONSOLIDATED STATEMENTS OF INCOME FOR THE PERIOD ENDED DECEMBER 31, 2012

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

	Notes Ref.	Current Period 01.01.-31.12.2012	Prior Period 01.01.-31.12.2011
OPERATING INCOME			
Sales	28	306.981.384	357.044.134
Cost of Sales (-)	28	(260.380.672)	(304.787.410)
GROSS PROFIT		46.600.712	52.256.724
Marketing and Sales Expense (-)	29	(1.000.957)	(1.170.856)
General Administrative Expense	29	(34.065.986)	(18.712.652)
Incomes From Other Operations	31	5.680.527	10.048.053
Expenses From Other Operations (-)	31	(773.860)	(1.184.324)
OPERATING PROFIT/(LOSS)		16.440.436	41.236.945
Equity Method Investments Profit / (Loss) 's Shares	16	(940.548)	(5.148.462)
Financial Incomes	32	34.092.381	48.767.565
Financial Expenses (-)	33	(39.955.417)	(61.460.647)
PROFIT/(LOSS) BEFORE PROVISION FOR TAXES		9.636.852	23.395.401
Tax Income/(Expense) From Operating Activities			
-Tax For Period	35	(4.296.413)	(3.753.448)
-Deferred Tax Income/ (Expense)	35	(1.549.827)	3.283.214
NET PROFIT/(LOSS) FOR THE PERIOD		3.790.612	22.925.167

Allocation on Profit / (Loss) for the Period

Minority Interest	27	3.775.148	(2.340.329)
Attributable to Equity Holders of the Parent		15.464	25.265.496
Earnings Per Share	36	0,00	0,23
Earnings Per Share From Operating Activities	36	0,00	0,23

ANEL ELEKTRİK PROJE TAAHHÜT VE TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARIES
AUDITED
CONSOLIDATED STATEMENTS OF INCOME FOR THE PERIOD ENDED DECEMBER 31, 2012

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

	Notes	Current Period 01.01.-31.12.2012	Prior Period 01.01.-31.12.2011
NET PROFIT/(LOSS)			
Other Comprehensive Income			
Fair value reserve of financial assets		-	-
Fixed Assets Fair Value Reserve		30.500	35.480
Change in hedge fund		-	-
Foreign Currency Translation Difference		(5.322.170)	18.218.007
Actuarial Gains and Losses of Retirement Plans		(72.085)	(40.528)
Actuarial Gains and Losses Tax Income / (Expense)		14.857	8.144
Interests in other partnerships Overall Revenues Equity Method		(348.487)	-
Income Tax on other Comprehensive income / (expense)		(6.100)	8.106
OTHER COMPREHENSIVE INCOME (AFTER TAX)		(5.703.485)	18.229.209
TOTAL COMPREHENSIVE INCOME		(1.912.873)	41.154.376

Allocation on Profit / (Loss) for the Period

Minority Interest	27	3.775.148	(2.339.377)
Attributable to Equity Holders of the Parent		(5.688.021)	43.493.753

The accompanying accounting policies and explanatory notes are an integral part of these consolidated statements

ANEL ELEKTRİK PROJE TAAHHÜT VE TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARIES
AUDITED
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE PERIOD ENDED

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

	Notes	Capital	Share Premium	Revaluation Surplus	Actual (Gain) / Loss Pool	Foreign Currency Translation Difference	Legal Reserves	Retained Profit/(Loss)	Period Profit/(Loss) in Million of the Parent	Equity Attributable to Minority Interest	Minority Interest	Total Equity Capital
Balance at 01 January 2011	27	110.000.000	1.339.604	1.155.299	-	(56.600)	1.219.058	45.446.256	20.767.148	179.809.805	26.771.071	206.661.876
Capital income		-	-	-	-	-	-	-	-	-	(60.618)	(60.618)
Revaluation reserve	27	-	-	35.480	-	-	(137.945)	(137.945)	-	35.480	-	35.480
Transfers to Legal Reserves	27	-	-	-	-	-	20.767.144	(20.767.144)	-	-	-	-
Actuarial (gain) / loss (and Adjustment)	27	-	-	-	(32.384)	-	(604.900)	(604.900)	(32.384)	(32.384)	(932)	(33.316)
Changes in the scope of Consolidation		-	-	-	-	-	280.506	280.506	-	280.506	1.026.593	1.307.102
Foreign Currency Translation Difference	27	-	-	-	-	18.218.007	-	-	-	18.218.007	(2.340.329)	15.877.678
Profit/Loss of The Period	27	-	-	-	(32.384)	18.152.257	1.57.003	65.706.075	25.526.496	233.609.928	25.253.928	258.863.856
Balance at 31 December 2011	27	110.000.000	1.339.604	1.190.779	-	18.101.347	1.57.003	65.706.075	25.526.496	233.609.928	25.253.928	258.863.856
Balance at 01 January 2012	27	110.000.000	1.339.604	1.190.779	(32.384)	18.101.347	1.57.003	65.706.075	25.526.496	233.609.928	25,985.995	248.675.915
Capital income		-	-	-	-	-	-	-	-	-	-	-
Revaluation reserve	27	-	-	24.400	-	-	-	-	-	24.400	-	24.400
Transfers to Legal Reserves	27	-	-	-	-	-	1.596.371	(1.596.371)	-	-	-	-
Actuarial (gain) / loss (and Adjustment)	27	-	-	-	(57.228)	-	-	(57.228)	(57,228)	41.830	-	41,830
Changes in the scope of Consolidation		-	-	-	-	-	-	-	-	-	-	-
Foreign Currency Translation Difference	27	-	-	-	-	(5,322,170)	-	-	-	(5,322,170)	(42,415)	(57,735)
Profit/Loss of The Period	27	-	-	(348,487)	-	12,820,177	2,953,724	89,446,811	15,604	21,748,779	3,775,148	25,524,927
Balance at 31 December 2012	27	110.000.000	1.384,433	866,092	(90,612)	12,820,177	2,953,724	89,446,811	15,604	21,748,779	29,123,228	246,542,586

The accompanying accounting policies and explanatory notes are an integral part of these consolidated statements

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

	Notes Ref.	Current Period 01.01-31.12.2012	Prior Period 01.01-31.12.2011
CASH FLOWS FROM OPERATING ACTIVITIES			
Net profit/ (loss) for period	36	3.790.612	22.925.167
Adjustments to reconcile net profit to net cash provided by operating activities:			
Depreciation and amortization (+)	18, 19	1.829.398	2.175.309
Provision for doubtful debts (+)	10	4.218.999	9.935
Retirement pay provision (+)	24	268.722	202.209
Unused annual leave provision (+)	24	-	59.567
Unearned Credit Finance (Income)/ Expense, net	10	-	96.142
Adjustments related to Completion Method on Projects	15	17.720.804	2.872.253
Reversal of unnecessary provision (-)	31	(388.579)	(774.157)
Tax Accrual (-)	35	5.846.240	470.234
(Profit)/Loss from Equity Investments	16	940.548	5.148.462
Minority Interests (Profit) / Loss	27	(3.775.148)	2.341.281
Increase (-) / Decrease (+) in Financial Assets	7	-	-
Foreign currency translation differences, net	27	(5.564.741)	-
Investment in associates Impairment expense (+)		-	-
Operating cash flows before movements in working capital:		24.886.855	35.526.402
Increase (-) / Decrease (+) on Commercial Transaction and other receivables	10, 11, 37	(2.050.869)	2.147.841
Increase (-) / Decrease (+) on Costs and Estimated Earnings in Excess of Billings on Uncom	15	(35.226.225)	(28.309.961)
Increase (-) / Decrease (+) on Inventories	13	(5.198.307)	785.569
Increase (-) / Decrease (+) on Other Current Assets	26	(8.605.060)	3.672.129
Increase (+) / Decrease (-) on Trade and other payables	10, 11, 37	24.973.045	(14.744.000)
Increase (+) / Decrease (-) on Other liabilities	26	(31.860.024)	37.576.302
Increase (+) / Decrease (-) on Billings in Excess of Costs and Estimated Earnings on Uncom	15	(3.711.018)	(20.783.888)
Tax payments (-)	35	(3.963.733)	(2.989.932)
Net cash provided by (used in) operating activities		(40.755.337)	12.880.462
Net cash provided by investing activities			
Purchase (-) / Sale (+) of financial assets	7	328.466	1.110.223
Change in investments according to equity method	16	(6.964.451)	5.055.673
Change in investments according to equity method	17	-	(516.575)
Purchase of tangible assets (-)	18	(19.014.436)	(2.339.680)
Purchase of intangible assets (-)	19	(2.199.418)	(66.694)
Sale of tangible assets (+)		-	30.100
Change of other long-term assets	26	4.238.571	(4.204.647)
Net cash provided by (used in) investing activities		(23.611.268)	(931.600)
Net cash provided by financing activities			
Cashflow arising from long term liabilities	26	(910.175)	(304.383)
Cashflow arising from financial liabilities	8	(9.292.112)	(6.586.607)
Cashflow arising from capital increase (+)	27	-	-
Cashflow arising from share premium (+)		-	-
Increase in minority interests (+) / decrease (-)	27	3.727.732	(1.375.076)
Net cash provided by (used in) financing activities		(6.474.555)	(8.266.066)
Net (decrease)/increase in cash and cash equivalents		(70.841.160)	3.682.796
Cash and cash equivalents at the beginning of the period	6	87.175.966	83.493.170
Cash and cash equivalents at the end of period	6	16.334.806	87.175.966

The accompanying accounting policies and explanatory notes are an integral part of these consolidated statements

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

CONTENTS

1. ORGANIZATION AND ACTIVITIES.....	122
2. BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS	123
3. BUSINESS COMBINATION	148
4. JOINT VENTURES.....	149
5. SEGMENT REPORTING	149
6. CASH AND CASH EQUIVALENTS	153
7. FINANCIAL ASSETS.....	154
8. FINANCIAL LIABILITIES	154
9. OTHER FINANCIAL LIABILITIES.....	156
10. TRADE RECEIVABLES/ PAYABLES	156
11. OTHER RECEIVABLES AND PAYABLES	158
12. RECEIVABLES AND PAYABLES FROM FINANCE SECTOR OPERATIONS	158
13. INVENTORIES	158
14. BIOLOGICAL ASSETS.....	159
15. COSTS AND ESTIMATED EARNINGS IN EXCESS OF BILLINGS ON UNCOMPLETED CONTRACTS AND BILLINGS IN EXCESS OF COSTS AND ESTIMATED EARNINGS ON UNCOMPLETED CONTRACTS	160
16. INVESTMENTS ACCORDING TO EQUITY METHOD	161
17. INVESTMENT PROPERTY.....	162
18. PROPERTY, PLANT AND EQUIPMENT.....	164
19. INTANGIBLE FIXED ASSETS	165
20. POSITIVE / NEGATIVE GOODWILL	165
21. GOVERNMENT GRANTS.....	165
22. PROVISIONS AND CONTINGENT ASSETS AND LIABILITIES.....	166
23. PROVISIONS AND CONTINGENT ASSETS AND LIABILITIES.....	169
24. EMPLOYEE BENEFITS.....	170
25. RETIREMENT PLANS.....	171
26. OTHER CURRENT/NONCURRENT ASSETS AND LIABILITIES	171
27. SHARE CAPITAL.....	174
28. SALES AND COST OF SALES	174
29. RESEARCH AND DEVELOPMENT EXPENSES, MARKETING, SALES AND DISTRIBUTION EXPENSES, GENERAL ADMINISTRATIVE EXPENSES	176
30. EXPENSES BY NATURE	176
31. INCOME / EXPENSES FROM OTHER OPERATIONS	176
32. FINANCIAL INCOMES	176
33. FINANCIAL EXPENSES	176
34. NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS.....	177
35. TAX ASSETS AND LIABILITIES(ERTELENMİŞ VARLIK VE YÜKÜMLÜLÜKLER)	179
36. EARNINGS PER SHARE	184
37. RELATED PARTY DISCLOSURES	193
38. QUALITIES AND LEVEL OF RISKS FROM FINANCIAL INSTRUMENTS	194
39. FINANCIAL INSTRUMENTS (FAIR VALUE OF FINANCIAL RISK MANAGEMENT DISCLOSURES)	195
40. POST BALANCE SHEET EVENTS	196
41. DISCLOSURE OF OTHER MATTERS	196

ANEL ELEKTRİK PROJE TAAHHÜT VE TİCARET A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31
DECEMBER 2012

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

1. ORGANIZATION AND ACTIVITIES

The Company was first established by the title of “Anel Elektrik Proje Taahhut Ve Ticaret Limited Sirketi” 1986 . The Company’s commercial type has been changed to “Anel Elektrik Proje Taahhut Ve Ticaret Anonim Sirketi” (The ‘Company-Anel Elektrik’) in 26/12/2006.

The Group has branches in Tiflis, Doha and Azerbaijan.

Tiflis Branch: Tiflis Sehri, Paliavili Sokak No:17 Tiflis-Georgia

Doha Branch: P.O. Box: 21346 Doha– Qatar

Azerbaijan Branch: C. Cabbarlı 44, Caspian Plaza Kat:2 D:4 Bakü - Azerbaijan

The activities of Anel Elektrik Proje Taahhut Ve Ticaret Limited Sirketi and its subsidiaries include the following operations,

- To desing all manner of electrical projects,
- To provide uninterrupted solutions by using low-tension services and electrical distribution projects including communication network and security solutions,
- To commerce, import, export and produce all manner of electrical supplies and make new marketing organization related to it’s activities,
- Project management,
- To purchase and sell properties,
- To design all manner of mechanical Project.

About the activities of the Group's ongoing business sectors and geographical segment reporting details 5 are given in the note.

The Company's shares are traded on the Istanbul Stock Exchange since 2010.

In the period ended at December 31, 2012, the average of 1.719 people have been employed in the group. (December 31.12.2011: 1.845)

The main shareholder of the company is Çelikel Family. (Note 27)

Anel Elektrik has the following subsidiaries, whose business and country of incorporation are provided below:

<u>Name of the Company</u>	<u>Field of the Activity</u>	<u>Country of Incorporation</u>
Anel Yapı Gayrimenkul A.Ş.	Purchasing and Selling Property	Turkey
Anel Mekanik Tesisat Taahhüt A.Ş.	Mechanical Projects	Turkey
Anel Enerji Elek. Üretim San. ve Tic. A.Ş.	Solar Energy Projects	Turkey
Anelmarin Gemi Elektrik Elektronik. Sist. Ticaret ve Sanayi A.Ş.	Marine Electricity, Electronics	Turkey
Anel Ukrayna Ltd.	Project Commitment	Ukraine
Anel Dar Libya Constructing & Services LLC	Project Commitment	Libya
Anel Engineering-Technological Company Ltd.Rusya	Project Commitment	Russia
DAG-08 OOD	Solar Energy Projects	Bulgaria
Golden Sun OOD	Solar Energy Projects	Bulgaria
Anel Emirates General Contracting LLC	Project Commitment	The United Arab Emirates
Anel BG Ltd.	Energy	Bulgaria

Company hasn’t got any subsidiary or affiliate subject to consolidation.

ANEL ELEKTRİK PROJE TAAHHÜT VE TİCARET A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31
DECEMBER 2012

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

1. ORGANIZATION AND ACTIVITIES (continued)

Dividend to Pay:

Managament doesn’t make an offer regarding paying dividend to shareholders as of reporting date.

Confirmation of Financial Statements

The consolidated financial statements prepared in accordance with International Financial Reporting Standards (IFRS) were authorized for issue on 12 April 2013 by the management of the Group. Although there is no such intention, the General Assembly and certain regulatory bodies have the power to amend the financial statements after issue.

2. BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS

A. Basic Standards of Presentation

Accounting Standards

The group maintains its books of accounts and prepare its statutory financial statements in accordance with the regulation of Turkish Commercial Code and Tax Legislation.

Capital Markets Board (“CMB”) has obligated to prepare financial statements in accordance with the International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) by publishing Communique No: XI-29 for the periods beginning after 01.01.2008. Therefore attached financial statements have been issued in accordance with the IAS/ IFRS and presented in accordance with the formats required by the CMB with the announcement dated 17 April 2008

In accordance with article 5th of the CMB Accounting Standards, companies should apply IFRS as adopted by the European Union (EU). However, again in accordance with the provisional clause 2 of the same standards adoption of the IFRS as adopted by the EU is postponed until the Turkish Accounting Standards Board (—TASB) (In November 2011 TASB has been dismissed and its responsibilities are transferred to Public Oversight Accounting and Auditing Standards Authority) declares the differences between the IFRS as adopted by the EU and the IFRS as adopted by the International Accounting Standards Board (IASB). Thus, for the year ended 31 December 2012, the Company prepared its consolidated financial statements in accordance with the Turkish Financial Reporting Standards which is in line with IFRS adopted by the IASB.

Financial statements prepared according to revaluation of financial intruments and basis of historical cost.

There are not any seasonal and cyclical changes significantly affect the company's operations

ANEL ELEKTRİK PROJE TAAHHÜT VE TİCARET A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31
DECEMBER 2012

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

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

A. Basic Standards of Presentation (continued)

Functional and presentation currency

The financial statements of the group's subsidiaries are reported in terms of their local currencies. The consolidated financial statements are presented in Turkish Lira ("TRY").

Operating in the branch of a hyperinflationary economy, the Company's non-functional currency of Qatar Qatari Rial in Georgia Lari currency operating in the branch, subsidiary operating in the functional currency of Ukraine, Ukrainian Hryvnia, its subsidiary in Russia functional currency of the Russian ruble and the functional currency of its subsidiary operating in Bulgaria, the Bulgarian Lev is. These companies are doing the reporting to the Company balance sheet items denominated in U.S. dollars, respectively, the balance sheet date U.S. dollar / riyal, the U.S. Dollar / Lari, U.S. Dollar / Hryvnia, USD / RUB and USD / BGN ; income, expenses and cash flows of the term respectively, the average U.S. dollar / riyal, the U.S. Dollar / Lari, U.S. Dollar / Hryvnia, USD / RUB and USD / BGN kuruyla translated. Cycle arising from the translation gain / loss of the resource, which under the "Foreign Currency Translation Reserve" account is located. The functional currency of the Company's subsidiaries operating in Turkey in the TRY.

IAS 21 "Effects of Changes in Foreign Exchange Rates," according to the consolidation of branches and subsidiaries of the Group's assets and liabilities of foreign countries in parity with the balance sheet date are translated into Turkish Lira. The average exchange rate of the period with revenue and expense items are translated into Turkish Lira. Closing and average exchange rate differences resulting from the use of foreign currency translation differences in equity accounts are being followed.

The foreign Exchange rates that were used in exchangeing consolidating overseas activities are as follows:

<u>Currency</u>	31 December 2012		31 December 2011	
	<u>End of the Period</u>	<u>Average of the Period</u>	<u>End of the Period</u>	<u>Average of the Period</u>
Qatari Riyal (QAR)	0,4897	0,4924	0,5189	0,4588
Georgian Lari (GEL)	1,0749	1,0809	1,1312	1,0001
Ukraine Hryvnia (UAH)	0,2230	0,2243	0,2364	0,2090
Russian Ruble	0,0586	0,0589	0,0586	0,0518
Bulgarian Lev	1,1924	1,1685	1,2495	1,1047
New Manat	2,2708	2,2834	-	-
Saudi Riyal	0,4753	0,4780	-	-
United Arab Emirates Dirham	0,4877	0,4904	-	-

ANEL ELEKTRİK PROJE TAAHHÜT VE TİCARET A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31
DECEMBER 2012

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

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

A. Basic Standards of Presentation(continued)

Termination of Inflation Adjustments

According to the decision of Capital Markets Board of Turkey, with the decision number 11/367 dated 17.03.2005, because of the conditions necessary for the application of IFRS 29 "Financial Reporting in Hyperinflationary Economies" were not met, the inflation accounting would not be applied for the first quarter of 2005.

Comparative information, changes in accounting policies and restatement of prior period financial statements

In order to allow the determination of financial position and performance of the Group are prepared in the comparative prior period consolidated financial statements of the current period. In order to comply with the presentation of the consolidated financial statements for the period necessary, comparative figures are reclassified.

Consolidated financial statements for the previous period were the following classification:

The Group financial statements for prior periods, "Other Receivables" item shown in the ongoing construction contracts of guarantee on the cuts made by the employer, since it is related to commercial activities, "Trade Receivables" classified item. Retained earnings as a result of this classification has not changed.

-In the current year, the Company's management, actuarial gains / losses, taking into account the deferred tax effect of other comprehensive income in shareholders' equity and presented in the previous period and within this context have opted for early adoption of the re-organized in order to ensure comparison. As a result, the income statement as of December 31, 2011 "General and administrative expenses" amounted to TRY 41.671, "Deferred Tax Assets" decreased the amount of TRY 8.335 and the "Net Profit" has increased the amount of TRY 33.336. The increase in non-controlling interests TRY 952 , TRY 32.384 is the share of the parent company.

Going concern

The consolidated financial statements of the Group next year and will benefit from the activities of its assets in its natural course and prepared on the basis of business continuity under the assumption of obligations to be performed by going concern.

Netting / Offsetting

Assets and liabilities of the consolidated financial statements, IAS / IFRS has not been offset except as permitted under the mandatory. Income and expense items, but also to IAS / IFRS have been offset in the prediction context, otherwise it has not been deducted.

Consolidation Principles

Subsidiaries

Subsidiaries are all entities over which the Group has power to govern the financial and operating policies so as to benefit from its activities. Subsidiaries in which the Group owns directly or indirectly more than 50% of the voting rights, or has power to govern the financial and operating policies under a statute or agreement are consolidated. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

ANEL ELEKTRİK PROJE TAAHHÜT VE TİCARET A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31
DECEMBER 2012

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

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

A. Basic Standards of Presentation(continued)

Consolidation Principles (continued)

The scope of consolidation as of December 31, 2012 are as follows direct or indirect subsidiaries.

<u>Subsidiaries</u>	Establishment and place of organization	<u>Parent Company's Share (%)</u>		Core business
		31.12.2012	31.12.2011	
Anel Yapı Gayrimenkul A.Ş.	Turkey	55,07	55,07	Real Estate Leasing
Anel Mekanik Tesisat Taahhüt A.Ş.	Turkey	57,00	57,00	Project Commitment
Anel Enerji Elek. Üretim San. Ve Tic. A.Ş.	Turkey	71,87	71,87	Energy
Anel Marin Gemi Elektrik Elektronik. Sist. Ticaret ve Sanayi A.Ş.	Turkey	93,00	93,00	Ship Elektrik-Electronics
Anel Ukrayna Ltd.	Ukrainian	100,00	100,00	Project Commitment
Anel Dar Libya Constructing & Services LLC	Libya	65,00	65,00	Project Commitment
Anel Engineering-Technological Company Ltd.Rusya	Russia	90,00	90,00	Project Commitment
DAG-08 OOD	Bulgaria	100,00	100,00	Energy
GOLDEN SUN OOD	Bulgaria	100,00	100,00	Energy
Anel Emirates	United Arab Emirates	100,00	100,00	Project Commitment

Regulatory principles of the consolidated balance sheet and consolidated income statement

Full Consolidation Method:

The Company and its subsidiaries paid-in capital and balance sheet items were collected. The collection process, the consolidation of the subsidiaries' receivables and payables decreased from each other.

- The consolidated balance sheet of the Company's paid in capital paid-in capital paid-in capital of subsidiaries are not included in the consolidated balance sheet.

- Consolidated subsidiaries paid / issued capital items included in the set of all equity, the parent company and its subsidiaries and the consolidated balance sheet is reduced to the amounts attributable to non-controlling interests in shareholders' equity account group and the "Minority Interests" group name is shown.

- They are subject to consolidation companies have bought each other current and non-current assets, in principle, these assets are shown at acquisition cost, which entities subject to consolidation adjustments will be made in the accompanying consolidated balance sheet prior to the sale has taken place.

- The Company's income statement and its subsidiaries are separately collected and consolidation of the process of collecting the goods and services subject to the sales of companies that they have made to each other, the total sales amounts and reduced the cost of goods sold. Consolidation of subsidiaries' stocks, profit from the trading of goods between these partnerships on the consolidated financial statements, inventories added by subtracting the cost of goods sold, cost of goods sold if the damage has been reduced by adding to inventories. Formed due to the consolidation of subsidiaries' income and expenses related to transactions with each other, mutual accounts have been eliminated.

ANEL ELEKTRİK PROJE TAAHHÜT VE TİCARET A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31
DECEMBER 2012

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

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

A. Basic Standards of Presentation (continued)

Full Consolidation Method (continued):

- The net profit or loss of consolidated subsidiaries other than the shares of companies subject to the portion that corresponds to the consolidation method, the consolidated net profit for the "Minority Interests" group name is shown.

- Where necessary, other members of the Group financial statements of subsidiaries to bring the accounting policies used in the appropriate corrections were made.

Affiliates

The Group has significant influence, subsidiaries and joint ventures outside the enterprise. Significant influence financial and operating policy decisions of an entity authorized but is not control or joint control. Subsidiaries of the Group as at 31 December 2012 and 2011 are as follows:

<u>Name of the associate</u>	<u>Participation share(%)</u>		<u>Voting</u>	<u>Core business</u>	
	31.12.2011	31.12.2010			
Anel Telekomünikasyon Elektronik Sistemleri San. ve Tic. A.Ş.	Türkiye	27,41	27,41	27,41	Telecommunication

The accompanying consolidated financial statements of subsidiaries operating results and assets and liabilities held for sale under IFRS 5 are accounted for as an asset, except for using the equity method of accounting. The consolidated balance sheet under the equity method investments, net assets of the associate, the Group's share of post-acquisition as adjusted for the change from the amount obtained as a result of the participation of the amount of any impairment losses is shown. Associate of the Group's share (in essence forming part of the Group's net investment in the associate, including any long-term investment) losses are not recognized in excess. Additional losses, but has been exposed to the Group's legal or constructive obligations or made payments on behalf of the associate the event in question.

Purchase cost of acquisition of the associate recognized at the date of purchase of the identifiable assets, liabilities and contingent liabilities is recorded as goodwill on the fair value. The goodwill is included in the carrying amount of the investment and is assessed for impairment as part of the investment. The associate recognized at the date of purchase of the identifiable assets, liabilities and contingent liabilities exceeds the fair value of the portion of the cost of acquisition, after reassessment, sales are recorded directly in the income statement.

Rules contained in IAS 39, the Group's investment in an associate is accounted on the provision for impairment is necessary, in order to determine whether applied. In the event of impairment, the recoverable amount of investment in associate (or fair value less cost to sell and value in use of the greater of the amount contained in the result) compared with the book value of all the book value of the investment in accordance with IAS 36 as a single asset is tested for impairment. If subsequent increase in the recoverable amount of the investment in an associate, the related impairment loss in accordance with IAS 36 is canceled.

Group by selling a portion of the shares of a subsidiary loses significant influence over the associate, the remaining share of the fair value of the accounts. The remaining share of the fair value initially recognized as a financial asset in accordance with IAS 39 is considered to be the fair value. The difference between the fair value and the book value of the profit / loss recognized in. Group of investment in associate all amounts previously recognized in other comprehensive income of the investee entity disposes of assets or liabilities directly with the accounts in accordance with the same principles. In this context, all amounts recognized in other comprehensive income of associate of the Group loses significant influence over the subsidiary equity to profit / loss transferred.

**ANEL ELEKTRİK PROJE TAAHHÜT VE TİCARET A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31
DECEMBER 2012**

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

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

A. Basic Standards of Presentation(continued)

Joint Ventures

Joint ventures, strategic financial and operating policy decisions require the unanimous consent of the parties of the Group and other economic activities subject to joint control. As of December 31, 2012 and 2011, the Group's joint ventures are as follows.

Name of the associate	Establishment and Operating Location	Participation share(%)		Core Business
		31.12.2012	31.12.2011	
Anel – Sera Adı Ortaklığı	Türkiye	70,20	27,41	Project Commitment
Anelmep Maintenance and Operations LLC.	Katar	30,00	30,00	
Turkges Enerji Elektrik Üretim San. Ve Tic. A.Ş.	Türkiye	49,50	49,50	Energy
EKB	Bulgaristan Suudi Arabistan	50,00	50,00	Energy Project Commitment
KSA		35,00	35,00	

A group entity carries out its activities under joint venture arrangements, the Group's share of jointly controlled assets and liabilities, are recognized in the financial statements and the related group entity are classified according to their content. From the jointly controlled assets, liabilities and expenses are accounted for on an accruals basis. Subject to joint control of the undertakings or assets of the use of the Group's share of the income comes from the sale of assets related to the flow of economic benefits is probable and the amount can be measured reliably.

Joint venture arrangements that involve the establishment of a separate entity, are referred to as jointly controlled entities. Group's share of jointly controlled entities attached financial statements, in accordance with IFRS 5 are accounted for as an asset held for sale, except accounted for using the proportionate consolidation method. The Group's jointly controlled entities, the share of liabilities, income and expenses combined with the equivalent items in the consolidated financial statements.

Group's share of jointly controlled entity in accounting for goodwill arising on the acquisition, the accounting policy for goodwill arising from acquisition of a subsidiary is applied (see Note 2.5).

Transactions between the Group and the Group's jointly controlled entities, unrealized profits and losses are eliminated to the extent of the Group's joint venture.

**ANEL ELEKTRİK PROJE TAAHHÜT VE TİCARET A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31
DECEMBER 2012**

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

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

A. Basic Standards of Presentation (continued)

Adoption and New Revised Standards

Standards and interpretations that are effective in 2012:

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

The amendments are mandatory for annual periods beginning on or after 1 January 2012, but earlier application is permitted. IAS 12 has been updated to include i) a rebuttable presumption that deferred tax on investment property measured using the fair value model in IAS 40 should be determined on the basis that its carrying amount will be recovered through sale and ii) a requirement that deferred tax on non-depreciable assets, measured using the revaluation model in IAS 16, should always be measured on a sale basis. These amendments will be applied retrospectively. The Company does not expect that this amendment will have significant impact on the financial position or performance of the Company.

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

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

Standards issued but not yet effective and not early adopted

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

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

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

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

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

A. Basic Standards of Presentation (continued)

Adoption and New Revised Standards (continued)

Standards and interpretations that are effective in 2012 (continued) :

IAS 19 Employee Benefits (Amended)

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

IAS 27 Separate Financial Statements (Amended)

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

IAS 28 Investments in Associates and Joint Ventures (Amended)

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

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

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

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

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

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

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

A. Basic Standards of Presentation (continued)

Adoption and New Revised Standards (continued)

Standards and interpretations that are effective in 2012 (continued) :

IFRS 9 Financial Instruments – Classification and measurement

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

IFRS 10 Consolidated Financial Statements

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

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

IFRS 11 Joint Arrangements

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

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

IFRS 12 Disclosure of Interests in Other Entities

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

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

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

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

A. Basic Standards of Presentation (continued)

Adoption and New Revised Standards (continued)

Standards and interpretations that are effective in 2012 (continued) :

IFRS 13 Fair Value Measurement

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

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

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

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

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

(Amounts expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

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

A. Basic Standards of Presentation (continued)

Adoption and New Revised Standards (continued)

Standards and interpretations that are effective in 2012 (continued) :

Improvements to IFRSs

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

IAS 1 Financial Statement Presentation:

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

IAS 16 Property, Plant and Equipment:

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

IAS 32 Financial Instruments: Presentation:

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

IAS 34 Interim Financial Reporting:

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

IFRS 10 Consolidated Financial Statements (Amendment)

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

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

2 BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS (continued)

B. Changes in Accounting Policies

The Group's financial condition, performance or events on cash flows and the effects of transactions more convenient and reliable way of presenting the consolidated financial statements will affect the quality there has not been any changes in accounting policies. A change in accounting policies applied are not foreseen in the near future.

C. Changes in Accounting Estimates and Errors

IAS / IFRS changes in accounting estimates under, the carrying amount of an asset or a foreign source, or determining the status of their current and expected future benefits and obligations arising from the evaluation of the periodic change of use because of the amount of fixes to be done. However, IAS / IFRS within the scope of changes in accounting estimates are caused by a new knowledge or the development, therefore, does not mean that the correction of errors.

IAS / IFRS as mistakes within the scope of the financial statement items the recognition, measurement, presentation and during the release occurs.

D. Summary of Significant Accounting Policies

Revenues

Sales revenue, giving the product or service delivery, the product is transferred to the buyer the significant risks and rewards, the amount of revenue can be measured reliably and the economic benefits will flow to the Group it is probable that the fair value received or receivable recorded on an accrual basis is taken.

Sale of Goods

Group parties to the transaction is considered to make reliable estimates after it has agreed upon the following:

- Will be presented by the parties and each party's enforceable rights regarding the service,
- Service charge,
- Payment terms and conditions.

However, the amount already included in revenue when an uncertainty arises about the availability of charged, which can not be collected or to be likely to be charged on the amount of revenue originally recognized as an expense rather than correcting the consolidated financial statements

Service Delivery:

Income from service delivery agreement books accordingly degree of completion of the agreement.

Degree of completion of the agreement as follows:

- Setup fees books accordingly degree of completion of the setup. Degree of completion specified by the rate of elapsed time as of balance sheet date to estimated time for setup completion.
- Service fees added to price of goods sold books accordingly total cost of service provided for goods sold.

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

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

D. Summary of Significant Accounting Policies (continued)

Revenue recognition (continued)

Construction contract activities

Contract revenue and expenses of the construction contract can be estimated reliably when the right of return, as an item of income and expense are recorded. Contract revenues are recognized in the financial statements on the percentage of completion method. As the period of the total contract costs incurred to total estimated cost of the contract rate of completion of the contract and this ratio is the percentage of current total revenue earned during the period of the contract is used reflecting the part of the financial statements.

Type of revenue from cost plus contracts, records cost calculated on the profit margin reflected.

Contract costs include all raw - material and direct labor costs, indirect labor costs related to contract performance, materials, and indirect costs, such as repairs and depreciation costs. Selling, general and administrative expenses are expensed as occurred. Provisions for estimated losses on uncompleted contracts, divided into periods such losses are determined. Job performance, job conditions and estimated profitability of the contract penalty provisions and final contract settlements may result in revisions to costs and income changes that. The effects of revisions are reflected in the consolidated financial statements. Profit incentives are included in revenues when realization is reasonably assured.

Due to ongoing construction contracts, income is reflected in the consolidated financial statements is on how the invoice amount, progress billings on uncompleted contracts of the invoice amount is above shows how much income is reflected in the consolidated financial statements.

Rental Income:

Rental income from vehicles books with linear method during agreement time.

Dividend and interest income:

Dividend income from equity investments, when the Group's right to receive dividend (the economic benefits will flow to the Group and the revenue can be measured reliably, as long as) is recorded.

The interest income from financial assets, economic benefits will flow to the Group and the revenue can be measured reliably are recognized as long. Interest income, with the remaining balance to be achieved through the expected life of the financial asset to that asset's net carrying amount that discounts estimated future cash receipts and at the effective interest rate.

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

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

D. Summary of Significant Accounting Policies (continued)

Segment Reporting

A reportable segment is a business segment or a geographical segment information required to be disclosed. A business segment is a particular good or service or a group of related products or services, or to provide each other in terms of risks and returns that are different from other business segments. Geographical segments provide products or services within a particular economic environment that the Group and an economic environment that is subject to risks and returns that are different from operating in other sections.

The Group mainly electrical and mechanical projects in Turkey and abroad, committed to renting a property in Turkey, the ship operates in the fields of solar energy for power electronics and financial segment information based on the structure of the companies that perform electrical and mechanical operations, project contracting, real estate, renting, power electronics and energy are reported under the headings of the ship.

For the purposes of group administration geographically Turkey, Qatar, Georgia, Ukraine, Russia, Bulgaria, Saudi Arabia, Azerbaijan and the United Arab Emirates is divided into 9 sections, including (Note 5).

Financial Instruments

Financial assets

Financial assets at fair value through profit or loss of the ones which are classified as financial assets recognized at fair value and the fair market value of the total price of the acquisition is recognized directly attributable transaction costs. The investment within the timeframe established by the market concerned is under a contract require delivery of the related assets as a result of the purchase or sale of financial assets, are recognized or derecognized on trade date.

"Financial assets at fair value through profit or loss Financial assets", "held to maturity investments", "available-for-sale financial assets" and "loans and receivables". Classification of financial assets depending on the purpose and specifications, is determined at initial recognition.

The effective interest method

The effective interest method of calculating the amortized cost of a financial asset and of allocating the interest income related to the Respective period. The effective interest rate for the expected life of the financial instrument or, where Appropriate, a shorter period of time, the sum of the estimated cash flow, net present value of the related financial assets.

Financial assets at fair value through profit or loss on financial assets, except calculated by using the effective interest method.

Financial assets at fair value through profit or loss

At fair value through profit or loss are financial assets are financial assets held for trading purposes. A financial asset is classified in this category if acquired principally for the purpose of disposal. Against financial risk, derivative instruments are designated as effective hedging instruments which embody the fair value of financial assets classified as financial assets at fair value through profit.

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

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

D. Summary of Significant Accounting Policies (continued)

Financial Instruments (continued)

Financial assets (continued)

Financial assets held to maturity

That the Group has the intention and ability to hold to maturity, with fixed or determinable payments and fixed maturity debt securities are classified as held to maturity investments. Held to maturity investments are recorded at amortized cost using effective interest method less impairment, with revenue recognized is calculated using the effective interest method.

Available-for-sale financial assets

Held by the Group that are traded in an active market with quoted equity instruments and certain debt securities are classified as available-for-sale financial assets are stated at fair value. Are not quoted in an active market and the Group's unlisted equity instruments classified as available for sale financial assets, but the fair values can be reliably measured are measured at cost. Impairment losses recognized in income statement, interest calculated using the effective interest method and foreign exchange losses on monetary assets, profit / loss amount, except for gains and losses arising from changes in fair value are recognized in other comprehensive income and accumulated financial assets revaluation reserve. If the investment is sold or impaired, the accumulated financial assets revaluation reserve total profit / loss is reclassified.

Dividends on available-for-sale equity instruments are recognized in profit or loss when the Group has the right to receive dividends.

Available-for-sale monetary assets denominated in a foreign currency fair value is determined in that foreign currency and translated at the spot rate at the end of the reporting period. Foreign exchange gains recognized in the statement of income / losses are determined based on the amortized cost of a financial asset. Other foreign exchange gains and losses are recognized in other comprehensive income.

Loans and receivables

With fixed or determinable payments that are not quoted in trade and other receivables are classified as loans. Loans and receivables are measured at amortized cost using the effective interest method, less any impairment is shown.

Impairment of financial assets

Financial assets at fair value through profit or loss, a financial asset or group of financial assets At each reporting date whether there are indicators of impairment are assessed. After the initial recognition of the financial asset, or where there is more than one occurrence of the event of the financial asset or group of assets that can be reliably estimated future cash flows of the financial asset may be impaired as a result of the negative impact on the objective evidence of impairment loss is recognized when there is . For financial assets carried at amortized cost less impairment of estimated future cash flows, discounted at the original effective interest rate of the financial asset is calculated by the difference between the carrying amount and the present value.

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

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

D. Summary of Significant Accounting Policies (continued)

Financial Instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

Carrying amount is reduced through the use of an allowance account, except for trade receivables, all financial assets are deducted from the carrying amount of the related financial asset impairment. Trade receivables can not be collected by deducting the amount of the reserve account will be deleted. Changes in the allowance account are recognized in the income statement.

Available-for-sale equity instruments, except for the period after the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment loss recognized, the previously recognized impairment loss when the carrying value of the investment at the date the impairment is reversed in case of muhasabeleştirilmemiş reach does not exceed what the amortized cost profit or loss to be canceled.

Available-for-sale equity securities, any increase in fair value subsequent to an impairment loss recognized directly in equity.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits with original maturities of 3 months from the date of acquisition is less than 3 months, the risk of significant value change readily convertible to cash and other short-term highly liquid investments.

Financial liabilities

The Group's financial liabilities and equity instruments, the contractual arrangements, the definitions of a financial liability and an equity instrument classified on the basis of. Assets of the Group after deducting all of its liabilities equity instrument is any contract that right. For specific financial liabilities and equity instruments accounting policies set out below.

Financial liabilities at fair value through profit or loss or other financial liabilities are classified as financial liabilities.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss, are recognized at fair value at each reporting period and at the balance sheet date the fair value is revalued. Changes in fair value, are recognized in the income statement. Net gains or losses are recognized in the income statement, include the amount of interest paid on the financial liability.

Other financial liabilities

Other financial liabilities, including borrowings, are initially measured at fair value net of transaction costs.

Other financial liabilities are subsequently at amortized cost using the effective interest rate and are accounted for at amortized cost using the effective interest method.

The effective interest method, calculating the amortized cost of a financial liability and of allocating interest expense associated period. The effective interest rate for the expected life of the financial instrument or a shorter period of time, if appropriate, the estimated future cash payments net present value of the financial liability.

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

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

D. Summary of Significant Accounting Policies (continued)

Inventories

As held for sale in the ordinary course of business, which is produced to be sold or used in the production process or the provision of services in the form of raw materials assets shown in the castle. Muhasebeleştirilinceye stock up on advances given are classified as other current assets.

Inventories are valued at the lower of cost and net realizable value. The cost of inventories of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition involves. The costs of conversion of inventories, such as direct labor costs related to production costs. These costs are also incurred in converting raw materials and finished goods material in a systematic allocation of fixed and variable production overheads that include the amounts.

Net realizable value is the estimated selling price in the ordinary course of business, the estimated costs of completion and the estimated costs necessary to make the sale shall be obtained by deducting total. Stocks in the financial statements, use or sales can not be tracked at a price higher than the amount expected to be achieved as a result. The net realizable value of inventories is less than cost, inventories are reduced to net realizable value and are recognized as an expense in the income statement in the year when the impairment. That caused inventories to be written down to net realizable value before conditions or evidence of an increase in net realizable value because of changed economic circumstances cases, impairment loss is canceled. The previously recognized impairment loss is limited to the amount of the canceled amount (Note 13).

Group, the calculation of cost of inventories "weighted average cost method" used.

Other Assets and Liabilities

Other Current / Non-current Assets

Other asset classes which are not included in the balance, prepaid / Prepaid expenses and accrued income, prepaid taxes and funds Advances work advances, staff advances, the cut-KDV other KDV downloaded KDV, count Shortages, other current / accounts as non-current assets Other Current / Non-current assets are reported in item (Note 26).

Other Short / Long Term Liabilities

Prepaid (deferred) income and other expense accruals, inventory overages, reported here, a variety of other items such as debt and liabilities (Note 26).

Investment Property

Investment property, rental income and / or capital appreciation is held in order to obtain the cost of the initial values and are measured at cost, including transaction. Subsequent to initial recognition, investment property, which reflects market conditions at the reporting date are measured at fair value.

Investment properties are sold or become unusable and the sale in the event of any future economic benefit is derecognized. The retirement or disposal of an investment property and the profit / loss is included in the income statement in the period.

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

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

D. Summary of Significant Accounting Policies (continued)

Investment properties (continued)

Fair Value Method

Group, after the initial recognition process, and all have chosen the fair value model for investment property at fair value measured by the method (Note 17).

From the change in fair value of investment property gain or loss is included in profit or loss in the period.

Transfers are made when there is a change in use of the investment property. Monitored on the basis of the fair value of investment property, owner occupied property is a transfer to the transfer, the deemed cost for subsequent accounting, the fair value of the aforementioned property at the date of change in use. Owner-occupied property, will be shown on the basis of the fair value of an investment property in the event of conversion, the company, up to the date of change in use "Tangible Fixed Assets" applies the accounting policies applied.

In their use of the tangible assets of the Group are presented in the real estate.

Tangible Fixed Assets

Group for use in the production or supply of goods and services, for rental to others (except for property, plant and equipment) or to be used for administrative purposes intended to be used over a period of physical items held within the framework of the cost model, the cost values are expressed.

The initial cost of property, plant and purchase price, including import duties and non-refundable purchase taxes, plant and equipment are comprised of expenses incurred to make the asset ready for use. After the start of use of tangible property, such as repair and maintenance expenditures are reported in the income statement as an expense as incurred. Expenditure on the future use of the property and equipment expenditures that have resulted in an increased economic value added to the cost of the asset.

Leasehold improvements include the expenses for leased properties and useful life of the lease agreement for the duration of the rental period is longer in cases, where the short is depreciated over their useful lives.

Depreciation of tangible fixed assets are separated from the date that is ready for use. Depreciation in the period in which the related assets will continue to idle.

The useful life and depreciation method are reviewed on a regular basis, depending on the method and period of depreciation on that asset's economic benefits are sought and the necessary corrective action in line with the provision (Note 18).

Revaluation Model

The production or supply of goods or services or for administrative purposes are held in use of land and buildings are stated at revalued. Revalued amount, being the fair value at the date of revaluation subsequent accumulated depreciation and accumulated impairment is determined by subtracting. Balance sheet date, the carrying amount of the revaluations will not differ from the fair value is determined by the way is done at regular intervals.

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

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

D. Summary of Significant Accounting Policies (continued)

Tangible Fixed Assets (continued)

Tangible fixed assets are stated at revalued amount of land and buildings are reported. The fair value of buildings is determined by independent valuation company licensed by the CMB. Revalued amount, the date of the revaluation at fair value, any subsequent accumulated depreciation and subsequent accumulated impairment losses are through. The corresponding increases in value are reported in equity is revalued.

If the carrying amount of an asset is increased after revaluation, the increase is recognized in other comprehensive income and directly in equity revaluation account under the name of the group are collected. However, a revaluation, the same asset previously associated with the revaluation gain or loss is recognized in income largely reversed reception.

If the carrying amount of an asset is low as a result of revaluation, the decrease is recognized as an expense. However, the decrease in other comprehensive income in the asset revaluation surplus in respect of the extent of any credit balance recognized in scope. Recognized in other comprehensive income and the decrease reduces the amount accumulated in equity under the heading of revaluation surplus (Note 18).

Depreciation of revalued buildings is recognized in the statement of income. Sale or retirement of a revalued property, the remaining balance in the revaluation reserve is transferred directly to retained earnings. No release of off-balance sheet assets, are not transferred from revaluation reserve to retained earnings.

Rental or administrative purposes, or for purposes not yet determined the course of construction assets are carried at cost less any recognized impairment loss. The cost of legal fees are also included. Such assets, the depreciation method used for other fixed assets, as well as when they are ready for use are depreciated.

Machinery and equipment, at cost less accumulated depreciation and accumulated impairment losses, on the same basis.

Cost Method

Tangible fixed assets are reported at cost less accumulated depreciation and accumulated impairment losses, on the same basis.

Rental or administrative purposes, or for purposes not yet determined the course of construction assets are carried at cost less any recognized impairment loss. The cost of legal fees are also included. Such assets, the depreciation method used for other fixed assets, as well as when they are ready for use are depreciated.

Land and construction in progress, except for the cost of tangible fixed assets to their estimated useful lives are amortized using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at each year for the possible effects of changes in estimates if a change in estimate being accounted for on a prospective basis.

Disposal of tangible fixed assets of the asset, or a gain or loss arising on the difference between the sales proceeds and the carrying amount of the asset is included in the income statement is determined.

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

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

D. Summary of Significant Accounting Policies (continued)

Leases

Leasing - The Group as Lessor

Straight-line basis over the lease term operating lease income is recognized using the straight-line basis. The initial stage of negotiating and arranging an operating lease for the realization of direct costs incurred are included in the cost of the leased asset and is amortized straight-line basis over the lease term.

Leasing - the Group as lessee

Incidental to ownership are transferred to the lessee all the risks and benefits to the Leases are classified as finance leases. At the end of the contract period, the property may be transferred or devredilmeyebilir. All of the risks and benefits incidental to ownership of an asset is transferred to a leases are classified as operating leases.

Assets held under finance leases, hire date fair value of the asset or the present value of the minimum lease payments, whichever is lower. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation is shown. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to pay the money back to the remaining balance of the liability over provides a fixed rate of interest. Financial expenses, except for the Group's general policy on borrowing under the activation of the relevant assets are recorded in the income statement. Plant and equipment acquired by way of finance lease assets are depreciated over the estimated useful life of the asset (Note 8, 18).

Payments made under operating leases (leasing transaction incentives for the realization of the consideration received or receivable is recognized on a straight-line basis over the term of the lease) is recognized on a straight-line basis over the lease term. Contingent rents recognized as an expense as incurred.

Intangible Assets

Purchase of intangible assets

Purchased intangible assets are carried at cost less accumulated amortization and accumulated impairment losses. These assets are amortized over their estimated useful lives using the straight-line method. The estimated useful life and the depreciation method, in order to determine the possible effects of changes in estimates are reviewed each year and changes in estimates are accounted for prospectively.

Software

Acquired computer software, buying during the acquisition and capitalized on the costs incurred until ready for use. These costs, estimated useful lives (5-10 years) are amortized.

Derecognition of intangible assets

An intangible asset through use or sale of disposed of or when no future economic benefits are expected from the case of statement of financial position (balance sheet) is disabled. An intangible asset statement of financial position (balance sheet) disconnection of the profit or loss, if any, to the disposal of assets is calculated as the difference between the net book value of collections. This difference is related assets statement of financial position (balance sheet) is recognized in profit or loss when taken out.

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

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

D. Summary of Significant Accounting Policies (continued)

Business Combinations and Goodwill

Business Combinations

Purchase of property, using the purchase method are accounted for. The consideration transferred in a business combination is its fair value is measured at cost being transferred, the acquirer acquisition-date fair values of the assets transferred by the acquirer to former owners of the debts incurred by the acquired entity and are calculated as the sum of the equity interests issued by the acquirer. Acquisition-related costs are generally recognized as an expense.

The identifiable assets acquired and the liabilities assumed are recognized at their fair values at the acquisition date. In this way are not recognized as provided below:

- Deferred income tax assets or liabilities or assets related to employee benefits or liabilities, respectively, IAS 12 Income Taxes and IAS 19 Employee Benefits in accordance with the standards recognized and measured;
- The acquired entity's share-based payment arrangements of the acquiree or share-based payment arrangements of the Group signed a share-based payment arrangements intended to replace liabilities or equity instruments related to the acquisition date are accounted for in accordance with IFRS 2 Share-based Payment Arrangements, and

- IFRS 5 Non-current Assets Held for Sale and Discontinued Operations are classified as held for sale in accordance with current assets (or disposal groups) that are recognized in accordance with the requirements of IFRS at 5.

Goodwill is the consideration transferred for the acquisition, non-controlling interests in the acquiree, and if you have, if any, of the acquirer in a business combination achieved in stages, previously of the total fair value of the equity interest in the acquiree, on the purchase date of the acquiree's identifiable assets, and net liabilities assumed exceeds the amount calculated as described. After reassessment, the acquiree's identifiable assets and assumed on acquisition of net identifiable liabilities, transferred to the purchase price, and the non-controlling interest in the acquiree, if any, in the acquiree prior to the acquisition exceeds the sum of the fair value of the shares, the amount directly as a gain on bargain purchase in profit / loss recognized.

The consideration transferred by the Group in a business combination, contingent consideration included cases, the contingent consideration is measured at its acquisition-date fair value and the consideration transferred in a business combination are included. Arising during the measurement period as a result of the additional information you need to fix the fair value of the contingent consideration, the amendment retroactively adjusted for goodwill. The measurement period following the date of the merger, the period adjustments are adjustments that the provisional amounts recognized in the acquirer in a business combination. This period can not be more than 1 year from date of purchase.

The fair value of the contingent consideration that qualify as measurement period adjustments The subsequent accounting for changes, depends on how the contingent consideration is classified. Contingent consideration is classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability is the nature of financial instruments and IAS 39, Financial Instruments: Recognition and Measurement In the presence of the scope of the standard, the contingent consideration is measured at fair value and gains or losses arising from changes in profit or loss or in other comprehensive income accounted for. Those who are not within the scope of IAS 39, IAS 37 and are accounted for in accordance with IFRS or other appropriate provisions.

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

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

D. Summary of Significant Accounting Policies (continued)

Business Combinations and Goodwill

Business combinations (continued)

Acquired in a business combination achieved in stages, the Group's previously held equity interest to fair value at the acquisition date (ie the date when the Group obtains control) is measured again, and if the resulting gain / loss in profit / loss accounted for. Prior to the date of acquisition recognized in other comprehensive income amounts arising from interests in the acquiree, under the assumption that interest were disposed of the profit / loss is transferred.

The initial accounting for a business combination is incomplete by the end of the reporting period when the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. During the measurement period, are adjusted during the measurement period, or may have an effect on the amounts recognized at the acquisition date and the date on events and situations that arise, resulting in additional assets or liabilities are recognized to reflect new information.

Business combinations prior to January 1, 2010, accounted for in accordance with the previous version of IFRS 3.Betterment.

Goodwill

The amount of goodwill arising from the purchase process, if any, after the date of purchase, at cost less accumulated impairment losses valued.

For purposes of impairment testing, goodwill is expected to benefit from the synergies of the merger of the Group's cash-generating units (or groups of cash-generating unit) is dealt. Cash-generating unit to which goodwill has been allocated, are tested for impairment annually. In the case of the unit is impaired symptoms of impairment testing is done more often. The recoverable amount of the cash-generating unit is less than its carrying value, goodwill allocated to the unit first, provision for impairment is separated, and then reduce the carrying amount of assets in the unit. Any impairment loss for goodwill is directly in the consolidated income statement in profit / loss recognized. Impairment of goodwill is not reversed in subsequent periods.

During the sale of the relevant cash-generating unit, the attributable amount of goodwill, sales, the profit / loss is included in the calculation.

Impairment of Assets

Assets that have an indefinite useful life are not subject to amortization of goodwill. These assets are tested for impairment annually. The carrying value of assets subject to amortization may not be recoverable in the event of a situation or events are reviewed for impairment. If the carrying amount exceeds the recoverable amount of the asset is recognized for the impairment. The recoverable amount is fair value less costs to sell or value in use is the one obtained. For purposes of assessing impairment, assets are grouped at the lowest level of identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting

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

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

D. Summary of Significant Accounting Policies (continued)

Borrowing Costs and Funds

Require significant time to get ready for use or sale assets (qualifying assets) when it comes to the acquisition, construction or production of directly attributable costs of the asset until the asset is ready for use or sale, are added to the cost. All other borrowing costs are recognized in the income statement (Note 8).

Foreign Currency Transactions

The individual financial statements of each Group entity are measured using the currency of the primary economic environment (functional currency) are presented. Each entity's financial position and operating results of the Company's functional currency and the presentation currency for the consolidated financial statements are expressed in TL.

During the preparation of the financial statements of the individual entities, in foreign currencies (currencies other than TL) the transactions are recorded at the rates prevailing on the date. Balance sheet foreign currency denominated monetary assets and liabilities are translated into New Turkish Lira at the exchange rates prevailing at the dates. Non-monetary items carried at fair value that are denominated in foreign currencies at fair value are retranslated at the rates prevailing on the date specified. Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences, except to the extent specified below, are recognized in profit or loss in the period in which:

- Which relate to assets under construction for future productive use, and an adjustment to interest costs on foreign currency borrowings are regarded as foreign exchange differences are included in the cost of those assets,

- Foreign currency risks (see accounting policies are described below in order to hedge against) Exchange differences on transactions entered into in order to hedge,

- Form part of the net investment in foreign operation, net investment in a foreign operation and the profit or loss associated with the sale, without intention or possibility of payment of monetary payables and receivables arising from foreign exchange differences arising from the activities.

-Earnings Per Share Earnings Per Share from Continuing Operations

Earnings per share Earnings / loss amount, profit / loss, earnings per share from continuing operations / loss amount, the continuing operations profit / loss for the period of time in the Company's shares is calculated by dividing the weighted average number of common shares.

In Turkey, companies, existing shareholders from retained earnings distributing "bonus shares" by way of earnings. This type of "bonus share" distributions, earnings per share, are regarded as issued shares. Accordingly, the weighted average number of shares used in the calculations, giving retroactive effect to the stock in question is taken into consideration.

The calculation of earnings per share, will make the necessary corrections to the dilution effect of potential shares of preferred stock, or None (Note 36).

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

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

D. Summary of Significant Accounting Policies (continued)

Events after the Balance Sheet Date

Events after the balance sheet date, the approval date of the publication of the balance sheet date of the consolidated financial statements, the Company refers to events that occur in favor or against. Whether to make a correction, according to the two types of situations can be identified:

- Adjusting events after the balance sheet, showing evidence of conditions that existed at the reporting date on situations in which the conditions,
- About the events that are indicative of conditions that arose after the balance sheet date (non-adjusting events after the balance sheet)

The accompanying consolidated financial statements of the Group, has been recognized adjusting events after balance sheet date and non-adjusting events after the balance sheet notes (Note 40).

Provisions, Contingent Liabilities and Contingent Assets

Provisions

There is a present legal or constructive obligation as a result of past events, and resources embodying economic benefits to settle the obligation and it is probable that they kept the company is expected to have a safe manner in the event of liability should be recognized in the consolidated financial statements. The provisions of the expenditure required to settle the obligation at the balance sheet date, with the most realistic estimates calculated by the Company's management and are discounted to present value where the effect is material.

Contingent Liabilities

Obligations under this group, within the control of the entity arising from past events, and the presence of one or more uncertain future events on the realization of the non-existence will be confirmed as the assessed liabilities Contingent liabilities are not included in the consolidated financial statements. Because, to settle the obligation, have the possibility of an outflow of resources embodying economic benefits or the amount of obligation can not be measured with sufficient reliability. Too far from the entity of resources embodying economic benefits likely to come out, unless the notes to the consolidated financial statements show that conditional obligations (Note 22).

Contingent Assets

The Group within the control of the entity arising from past events, and the presence of one or more uncertain events, which will be confirmed by the realization of assets, is considered as a contingent asset. If an inflow of resources embodying economic benefits is not certain contingent assets described in the notes to the consolidated financial statements.

Or all of the economic benefits required to settle a provision are expected to be part of the cases, which shall be collected by third parties, it is virtually certain that reimbursement will be received and the amount of the event can be measured reliably, are recognized and reported as an asset

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

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

D. Summary of Significant Accounting Policies (continued)

Related Parties

Related parties of the Group's shareholding, contractual rights, the opposite side of the family relationship or otherwise, directly or indirectly, control or significantly influence the team includes a. The accompanying consolidated financial statements of the Group companies are owned by shareholders and the shareholders of which are known to be associated with key management personnel and other companies are defined as related parties.

Presence of one of the following criteria, are considered related party to the Group:

i) use directly, or indirectly through one or more intermediaries:

- The Group controls, or is controlled by the Group

- Is under common control with the Group (parent, subsidiaries and fellow subsidiaries, including the same);

- Has an interest in the Group that gives it significant influence over, or has joint control over the Group;

ii) the party is an associate of the Group;

iii) the party is a joint venture of the Group is a venturer;

iv) the party is a member of the key management personnel of the Group or its parent;

v) the (i) or (iv) above, any individual is a close family member;

vi) the entity that is controlled, jointly controlled or significantly influenced by, or (iv) or (v) directly or indirectly, any individual referred to in Articles important to have an entity that is entitled to vote, or

vii) the party is an entity that is a related party of the company or for the benefit of employees of the entity must have plans.

Related party transactions between related parties, resources, services or obligations, regardless of whether a price is charged transfer (Note 37).

Taxation and Deferred Income Taxes

Turkish tax legislation, the parent company and its subsidiary to file a consolidated tax does not permit, as reflected in the accompanying consolidated financial statements, tax provisions are calculated separately for each company.

Income tax expense represents the sum of current tax and deferred tax expense.

Current tax

Current year tax liability is based on the taxable profit for the period. Taxable income, taxable or deductible in other years and items that can not be taxable or deductible because it excludes items of income differs from profit as reported in the table. The Group's liability for current tax is calculated using tax rates enacted or substantively enacted.

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

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

D. Summary of Significant Accounting Policies (continued)

Deffered tax

Deferred tax liabilities are recognized for the amounts of assets and liabilities for financial reporting purposes and the amounts of the legal tax base tax effects of temporary differences between the balance sheet is calculated using enacted tax rates. Deferred tax liabilities are generally recognized for all taxable temporary differences, and deferred tax assets from deductible temporary differences, future taxable profits is probable that the deductible provided that the calculated benefit from these differences. Such assets and liabilities, commercial or financial gain / loss on the temporary difference, goodwill or other assets and liabilities in the financial statement for the first time (excluding business combinations) stems.

Deferred tax liabilities are recognized for taxable temporary differences of the Group, and is unlikely to be eradicated in the near future except to the extent of this difference, subsidiaries and investments in associates and joint ventures are calculated for all taxable temporary differences associated with shares. This kind arising from deductible temporary differences associated with investments and deferred tax assets are sufficient taxable profits in the near future benefit from these differences it is probable that the deductible temporary differences, and the disappearance of the future they are expected to.

The carrying amount of deferred tax assets, are reviewed at each balance sheet date. The carrying amount of deferred tax assets, partially or fully to obtain the benefit of a facility is not possible to obtain sufficient taxable profit will be reduced significantly.

Deferred tax assets and liabilities are realized or liabilities are assets that are expected to apply in the period have been enacted or substantively enacted at the balance sheet date, the tax rates (and tax laws) is calculated over. During the calculation of the deferred tax assets and liabilities of the Group as at the balance sheet date the carrying amount of assets to meet its obligations to recover or estimated tax consequences are taken into account.

Deferred tax assets and liabilities, current tax assets against current tax liabilities related to the assets and liabilities of a legal right, or the income taxes levied by the same taxation authority and the Group's deferred tax assets and liabilities relate to clarify or intends to pay by shall be deducted.

Current and deferred tax for the period

Directly in equity are recognized as a receivable or payable (in which case the deferred tax relating to items recognized directly in equity) associated with business combinations or arise from the initial period, with the exception of current tax and deferred tax are recognized as income or expense in the income statement . Business combinations, goodwill or the purchaser of the acquired subsidiary's identifiable assets, liabilities and contingent liabilities exceeds the cost of acquisition fair value of the acquirer's interest taken into account in determining the tax effect.

Employee Benefits and Severance Pay

According to the provisions of Turkish law and union agreements, lump sum payments are paid in the event of retirement or dismissal. The updated IAS 19 Employee Benefits ("IAS 19"), these payments are considered as defined benefit plans.

Retirement benefit obligation recognized in the balance sheet, the liability is expected to arise in the future due to the retirement of employees is calculated based on the net present value and the financial statements. All actuarial gains and losses recognized in the statement of comprehensive income (Note 24).

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

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

D. Summary of Significant Accounting Policies (continued)

Reporting of cash flows

The Group's net assets, financial structure, and the ability to affect the amounts and timing of cash flows, financial statement users to provide information about the cash flow statement holds. Cash flow statement, cash flows from operating, investing and financing activities are classified. Cash flows from operating activities, cash flows from operating activities of the Group. From investing activities Cash flows from investing activities (fixed asset investments and financial investments) and the cash flows. Cash flows related to financing activities, the resources used in financing activities of the Group and repayments. Cash and cash equivalents include cash, bank deposits and investments that are readily convertible into cash at short-term, highly liquid investments with original maturities of three months or less.

E. Evaluation of Significant Accounting Estimates and Assumptions

The preparation of consolidated financial statements requires management to affect the reported amounts of assets and liabilities in the balance sheet at the date of the possible liabilities and commitments and the amounts of revenue and expenses during the reporting period required to make certain assumptions and estimates. These estimates and assumptions are based on management's best knowledge of current events and transactions despite the actual results may vary. Estimates are revised regularly and any necessary corrections are made and are reflected in the income statement in the periods. Critical judgments in applying the Group's accounting policies Summary of Significant Accounting Policies in the process of applying the accounting policies specified in management, with a significant impact on the amounts recognized in the financial statements (other than the estimates discussed below) made the following comments:

ANEL ELEKTRİK PROJE TAAHHÜT VE TİCARET A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31
DECEMBER 2012

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

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

D. Summary of Significant Accounting Policies (continued)

Percentage of Completion

The Group uses the percentage of completion method in accounting for construction contracts. According to this method, a specific charge for contract work performed to date estimate of the total cost of the contract rate is calculated.

Income tax

The Group operates in various tax jurisdictions and these countries are subject to applicable tax legislation and tax laws. The use of significant estimates in determining the Group's income tax provision is required. Group tax liabilities and the deferred financial losses arising from the use of the estimated tax provision. When the final tax consequences, actual amounts could differ materially from those estimated at the balance sheet date and the income tax provision for the records can fix.

Estimated impairment of goodwill

Group, 2 / D. Summary of significant accounting policies in accordance with the accounting policy stated in note each year, the amount of goodwill is tested for impairment. The recoverable amounts of cash generating units, was determined by calculating the value in use. These calculations require the use of estimates (Note 20). Anel in 2012 Telecommunications and Electronic Systems Industry and Trade Co. 'there is no impairment of the wholesale cash-generating unit.

3. BUSINESS COMBINATION

Business combination during the period has occurred. (2011: None).

ANEL ELEKTRİK PROJE TAAHHÜT VE TİCARET A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31
DECEMBER 2012

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

4. JOINT VENTURES

Joint ventures accounted for using the proportionate consolidation method, nature of business, pay rates and summarized financial information is as follows:

Name of the Company	Country of Incorporation	Participation share (%)		Field of the Activity
		31.12.2012	31.12.2011	
Anel-Sera Adi Ortaklığı	Turkey	70,20	70,20	Project Commitment
Anelmep Maintenance and Operations LLC.	Qatar	30,00	30,00	Design, Construction and Maintenance
Turkges Enerji Elektrik Üretim San. ve Tic. A.Ş.	Turkey	49,50	49,50	Energy
Avek - Solar	Turkey	49,98	-	Energy
Anel Kingdom of Saudi Arabia	Saudi Arabia	35,00	35,00	Project Commitment
Energiyna Kompania Bonev OOD	Bulgaria	50,00	50,00	Solar Energy

Summary Financial Information

	Anel - Sera Adi Ortaklığı	Anelmep Maintenance and Operations LLC.	Turkges Enerji Elektrik Üretim San. ve Tic. A.Ş.	Avek-Solar	Anel Ksa	EKB
31.12.2012						
Current Assets	2.997.880	139.922	80.547	1.587.955	32.162.066	1.087.470
Noncurrent Assets	103.665	59.102	2.893	2.925.402	2.436.597	7.103.126
Short Term Liabilities	(3.088.464)	(6.024.850)	(642)	(4.324.263)	(49.477.940)	(8.239.486)
Long Term Liabilities	-	-	-	-	(140.357)	-
Net Assets	13.081	(5.825.826)	82.799	189.094	(15.019.634)	(48.890)
01.01.-31.12.2012						
Income	31.488	670.675	-	3.332.236	38.581.109	673.056
Expences (-)	(882.708)	(902.298)	(4.739)	(4.234.800)	(54.077.463)	(782.898)

	Anel - Sera Adi Ortaklığı	Anelmep Maintenance and Operations LLC.	Turkges Enerji Elektrik Üretim San. ve Tic. A.Ş.
31.12.2011			
Current Assets	84.910.194	367.666	109.555
Noncurrent Assets	1.514.140	119.704	4.340
Short Term Liabilities	(83.619.125)	(6.414.783)	(8.706)
Long Term Liabilities	-	-	-
Net Assets	2.805.209	(5.927.413)	105.189
01.01.-31.12.2011			
Income	3.064.685	2.214.999	4.578
Expences (-)	(33.741)	(3.336.994)	(18.063)

ANEL ELEKTRİK PROJE TAAHHÜT VE TİCARET A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31
DECEMBER 2012

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

5.SEGMENT REPORTING

By the chief operating decision-making authority determined the operating segments based on internal reports that are regularly reviewed. The competent authority of the board of directors and general manager of the Group's decision-making.

The competent authority to decide the Group, to make decisions about resources to be allocated to departments and divisions in order to evaluate the performance and results of operations on a product basis and examines the basis of geographical distribution. The distribution of the Group's product lines are as follows: Electrical and mechanical project contracting, real estate leasing, ship electrical and electronics, and energy. Revenue of the Group's reportable operating segments are largely businesses committed to the project in Qatar.

31.12.2012	Electrical Projects	Property Hiring	Marine Electric Electronic	Energy	Elimination	Total
Non-Group sales vNet	275.730.533	11.339.292	1.688.382	18.223.177	-	306.981.384
Intra-Group sales	14.477.183	719.841	124.095	7.509.651	(22.830.770)	-
Total Net Sales	290.207.716	12.059.133	1.812.477	25.732.828	(22.830.770)	306.981.384
Cost of sales (-)	(255.666.026)	(3.151.626)	(1.535.482)	(17.937.325)	17.909.787	(260.380.672)
Gross Profit	34.541.690	8.907.507	276.995	7.795.503	(4.920.983)	46.600.712
Operating Expenses (-)	(30.230.425)	(1.897.535)	(270.709)	(3.431.870)	763.596	(35.066.943)
Other Operating Income	1.610.678	3.649.210	49.776	616.404	(245.541)	5.680.527
Other Operating Expenses (-)	(447.418)	(12.027)	(10.827)	(289.881)	(13.707)	(773.860)
Operating profit	5.474.525	10.647.155	45.235	4.690.156	(4.416.635)	16.440.436
Equity Method Investments Profit / (Loss)'s Shares	(940.548)	-	-	-	-	(940.548)
Financial Income	22.366.519	9.680.076	473.453	1.864.131	(291.798)	34.092.381
Financial Expenses	(23.182.201)	(12.155.757)	(494.927)	(4.405.701)	283.169	(39.955.417)

TAX FROM CONTINUING OPERATIONS BEFORE INCOME / (LOSS)						
	3.718.295	8.171.474	23.761	2.148.586	(4.425.264)	9.636.852

Tax Income/(Expense) From Operating Activities						
-Tax Income / (Expense)	(3.880.106)	-	(839)	(415.468)	-	(4.296.413)
-Deferred Tax Income / (Expense)	532.877	(2.723.512)	(7.739)	158.707	489.840	(1.549.827)

NET PROFIT/LOSS FOR THE PERIOD						
	371.066	5.447.962	15.183	1.891.825	(3.935.424)	3.790.612

Investment Expenditures						
Investment Property	-	233.702	-	-	-	233.702
Property, Plant and Equipment	2.552.259	133.616	-	18.265.316	(3.973.787)	16.977.404
Intangible Fixed Assets	1.842.295	16.100	-	341.023	-	2.199.418

Other Information						
- Total Assets	483.294.831	147.309.628	2.058.600	38.037.253	(79.806.823)	590.893.489
- Total Liabilities	483.294.831	147.309.628	2.058.600	38.037.253	(79.806.823)	590.893.489

ANEL ELEKTRİK PROJE TAAHHÜT VE TİCARET A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31
DECEMBER 2012

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

5. SEGMENT INFORMATION (continued)

31.12.2011	Electrical Projects	Property Hiring	Marine Electric Electronic	Energy	Elimination	Total
Non-Group sales vNet	337.277.974	7.985.077	4.189.216	7.591.867	-	357.044.134
Intra-Group sales	29.221.266	938.074	47.556	447.026	(30.653.922)	-
Total Net Sales	366.499.240	8.923.151	4.236.772	8.038.893	(30.653.922)	357.044.134
Cost of sales (-)	(321.847.823)	(2.375.018)	(3.687.196)	(6.837.715)	29.960.342	(304.787.410)
Gross Profit	44.651.417	6.548.133	549.576	1.201.178	(693.580)	52.256.724
Operating Expenses (-)	(16.879.333)	(2.016.782)	(281.479)	(2.128.544)	1.422.630	(19.883.508)
Other Operating Income	2.341.004	8.422.987	23.584	2.212	(741.734)	10.048.053
Other Operating Expenses (-)	(1.119.523)	(23.332)	(13.043)	(28.426)	-	(1.184.324)
Operating profit	28.993.565	12.931.006	278.638	(953.580)	(12.684)	41.236.945
Equity Method Investments Profit / (Loss)'s Shares	(5.148.462)	-	-	-	-	(5.148.462)
Financial Income	26.474.980	21.692.599	883.904	1.083.785	(1.367.703)	48.767.565
Financial Expenses	(19.766.998)	(41.089.276)	(543.820)	(1.428.256)	1.367.703	(61.460.647)

TAX FROM CONTINUING OPERATIONS BEFORE INCOME / (LOSS)						
	30.553.085	(6.465.671)	618.722	(1.298.051)	(12.684)	23.395.401

Tax Income/(Expense) From Operating Activities						
-Tax Income / (Expense)	(3.503.181)	-	(127.391)	(122.876)	-	(3.753.448)
-Deferred Tax Income / (Expense)	4.249.730	(1.162.472)	913	202.066	(7.023)	3.283.214

NET PROFIT/LOSS FOR THE PERIOD						
	31.299.634	(7.628.143)	492.244	(1.218.861)	(19.707)	22.925.167

Investment Expenditures						
Investment Property	-	516.575	-	-	-	516.575
Property, Plant and Equipment	2.261.767	59.609	-	18.304	-	2.339.680
Intangible Fixed Assets	66.694	-	-	-	-	66.694

Other Information						
- Total Assets	512.612.449	179.925.744	2.309.824	40.812.492	(98.508.217)	637.152.292
- Total Liabilities	512.612.449	179.925.744	2.309.824	40.812.492	(98.508.217)	637.152.292

ANEL ELEKTRİK PROJE TAAHHÜT VE TİCARET A.Ş.AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31
DECEMBER 2012

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

6. CASH AND CASH EQUIVALENTS

	<u>31.12.2012</u>	<u>31.12.2011</u>
Cash	595.851	199.650
Banks	15.725.838	63.836.836
- Demand Deposit	14.499.559	26.616.392
-Deposit with maturities less than three months	1.226.279	37.220.444
Demand Cheques	-	22.049.383
Other Cash and Cash Equivalents	13.117	1.090.097
Total	<u>16.334.806</u>	<u>87.175.966</u>

There are no accounts blocked.

As of 31 December 2012 weighted maturity of the time deposits is 15 days. (31.12.2011: 1 day).

Residual terms for the time deposits are as follow as of 31.12.2012 and 31.12.2011.

<u>Currency</u>	<u>Interest Rate (%)</u>	<u>31.12.2012</u>	<u>Interest Rate (%)</u>	<u>31.12.2011</u>
TRY	-	-	8,00 - 11,74	10.735.003
USD	0,85 - 2,34	1.072.093	0,50 - 0,75	19.833.764
EUR	0,43	154.186	1,00 - 3,75	6.651.677
Total Time Deposits		<u>1.226.279</u>		<u>37.220.444</u>

7. FINANCIAL ASSETS

Short-Term Financial Assets

	<u>31.12.2012</u>	<u>31.12.2011</u>
<u>Financial Assets Difference of Fair Value of Which reflected in</u>		
Income Statement	-	152.740
Total	<u>-</u>	<u>152.740</u>

- Financial assets at fair value through profit or loss:

Long-Term Financial Assets

	<u>31.12.2012</u>	<u>31.12.2011</u>
There is an active market for financial assets at cost	46.296	222.022

There is an active market for financial assets at cost

	<u>31.12.2012</u>	<u>31.12.2011</u>
Stocks		
Unquoted shares	46.296	222.022

Information on the nature and level of risks in financial assets 38 disclosed in the notes.

Located above TRY 46.296 (2011: TRY 222.022) and the estimated amount of non-quoted market value and the estimated value ranges of values can not be measured reliably, the probability of a reliable estimate of the fair value of unquoted available-for-sale equity investments that can not be cost-are measured.

ANEL ELEKTRİK PROJE TAAHHÜT VE TİCARET A.Ş.AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31
DECEMBER 2012

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

8. FINANCIAL LIABILITIES

<u>Financial Liabilities</u>	<u>31.12.2012</u>	<u>31.12.2011</u>
a) Bank Loans	120.698.702	129.666.462
b) Lease Obligations	401.519	725.871
Total	<u>121.100.221</u>	<u>130.392.333</u>

a) Bank Loans

	<u>31.12.2012</u>		
<u>Currency</u>	<u>Interest Rate</u>	<u>(%)</u>	<u>Short-term</u>
TL	6,8-7		17.918.456
USD	4-5		2.242.717
EUR	5-7		13.849.644
Total			<u>34.010.817</u>
			<u>86.687.885</u>

<u>Currency</u>	<u>Interest Rate</u>	<u>Short-term</u>	<u>Long-term</u>
TL	9,00 - 10,50	1.028.372	-
USD	6,30 - 10,50	19.499.727	-
EUR	6,65 - 16,50	29.321.727	79.816.636
Total		<u>49.849.826</u>	<u>79.816.636</u>

	<u>31.12.2012</u>	<u>31.12.2011</u>
Paid within one year	34.010.817	49.849.826
2 - 3 years to be paid	18.419.097	8.297.568
3 - 4 years to be paid	19.791.371	8.730.859
4 - 5 years to be paid	11.032.366	9.178.525
5 years and longer-term	37.445.051	53.609.684
Total	<u>120.698.702</u>	<u>129.666.462</u>

The fair value of short-and long-term debt, the effect of discounting is immaterial, is equal to the carrying amount.

The following summarizes the major bank loans of the Group:

a) A loan of TRY 2.660.871 (2011: TRY 35.868.927). October 13, 2010 the credit is used. Loan repayments will begin on 13 October 2011 and will continue until October 13, 2020 with the end of term. The average effective interest rate of the loan is LIBOR rate is 4,9%. Credit, the Group's investment property amounting to TRY 48 million on Anel Business Center is secured by the mortgage.

b) Lease Obligations:

And the sum of the present value of the minimum lease payments:

Finance lease liabilities as at 31.12.2012 and 31.12.2011 are as follows;

ANEL ELEKTRİK PROJE TAAHHÜT VE TİCARET A.Ş.AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31
DECEMBER 2012

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

8. FINANCIAL LIABILITIES (continued)

31.12.2012	TRY	TRY	TRY	TRY
	Less than 1 year	1 year - less than 5 years	More than 5 years	Total
The amount of the minimum lease payments				
TRY financial leases	398.856	470.999	-	869.855
Total	398.856	470.999	-	869.855
The present value of the payments				
TRY financial leases	334.989	66.530	-	401.519
Total	334.989	66.530	-	401.519
31.12.2011	TRY	TRY	TRY	TRY
	Less than 1 year	1 year - less than 5 years	More than 5 years	Total
The amount of the minimum lease payments				
TRY financial leases	398.856	470.999	-	869.855
Total	398.856	470.999	-	869.855
The present value of the payments				
TRY financial leases	300.409	425.462	-	725.871
Total	300.409	425.462	-	725.871

Financial leasing, the lease term of 10 years on the intelligent building systems. The Group has the option to purchase a 10-year lease term with systems. The Group's obligations under finance leases, the lessor, the leased assets are secured by the lessors' title.

At balance sheet date, the net book value of the assets subject to finance lease are as follows:

Interest rates on financial leasing activities on contract is fixed for the entire rental period. The average effective interest rate of the contract is approximately 16% (2011: 16%).

9. OTHER FINANCIAL LIABILITIES

None. (31.12.2011: None.)

10. TRADE RECEIVABLES/ PAYABLES

a) Trade Receivables:

The Group's trade receivables at the balance sheet date are as follows:

	31.12.2012	31.12.2011
Short-term trade receivables		
Buyers	59.808.969	72.803.528
Notes Receivable	1.989.121	1.248.952
Less: Unearned finance expense	(14.862)	(94.821)
Provision for Doubtful Receivables (*)	4.454.457	385.342
Less: Provision for Doubtful Receivables	(4.454.457)	(385.342)
Employers Held by Financial Guarantees	41.025.926	40.476.217
Total	102.809.154	114.433.876

ANEL ELEKTRİK PROJE TAAHHÜT VE TİCARET A.Ş.AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31
DECEMBER 2012

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

10. TRADE RECEIVABLES / PAYABLES (continued)

Long-term trade receivables

None. (31.12.2011: None).

There is no collateral for trade receivables from Undue.

As of 31 December 2012, trade receivables of TRY 4.454.457 (2011: TRY 385.342) is a provision for doubtful receivables amounting to 01.Ocak-The provision in the period of 31 December 2012 TRY 4.218.999 (1 January to 31 December 2011: TRY 9.935), respectively. For one of the projects in Qatar for doubtful receivables is an important part of the receivables.

The provision for trade receivables, is determined based on past experience.

(*) The movement of the provision for doubtful receivables of the Group are as follows:

	01.01.-31.12.2012	01.01.-31.12.2011
Beginning of the Period	385.342	589.471
Provisions during the period	4.218.999	9.935
Less: Collected during the period	(149.984)	(213.964)
Translation Difference	100	(100)
End of term	4.454.457	385.342

Information on the nature and level of risk in trade receivables is described in detail in Note 38.

b) Trade Payables:

The Group's trade payables at the balance sheet date are as follows:

	31.12.2012	31.12.2011
Short-term trade payables		
Sellers	51.959.333	39.939.141
Debt Securities	1.752.407	882.731
Less: Interest Expense	(67)	(19.478)
Total	53.711.673	40.802.394

Long-term trade payables

None. (31.12.2011: None).

Maturity debt securities, which ended after the balance sheet date, the average effective interest rate for the 6.16% is. (EUR: 0.56%). (31.12.2011: \$ and EUR 6.60% 0.75%).

Note 37 Related party receivables and payables to related parties are shown in.

Trade payables are disclosed in Note 38 to the nature and level of risks are described in detail.

ANEL ELEKTRİK PROJE TAAHHÜT VE TİCARET A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31
DECEMBER 2012

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

11. OTHER RECEIVABLES AND PAYABLES

a) Other Receivables

	<u>31.12.2012</u>	<u>31.12.2011</u>
Other Short-Term Receivables		
Deposits and Guarantees Given	675.880	473.573
Due from Personnel	24.063	7.937
Other Doubtful Receivables (*)	33.193	40.389
Less: Provision of Other Doubtful Receivables	(33.193)	(40.389)
Other Receivables	5.182.820	5.395.650
Total	<u>5.882.763</u>	<u>5.877.160</u>

(*) Movement of other doubtful receivables are as follows:

	<u>31.12.2011</u>	<u>31.12.2010</u>
Beginning of period	40.389	41.253
Current period's addition	-	-
Collected during period (-)	(7.196)	(3.469)
Foreign Currency Translation Difference	-	2.605
End of period	<u>33.193</u>	<u>40.389</u>

Other Long-Term Receivables

	<u>31.12.2012</u>	<u>31.12.2011</u>
Deposits and Guarantees Given	52.860	117.493
Total	<u>52.860</u>	<u>117.493</u>

b) Other Payables

	<u>31.12.2012</u>	<u>31.12.2011</u>
Other Short-Term Receivables		
Deposits and Guarantees Received	1.453.242	155.141
Due to Personnel	1.583.062	3.798.341
Taxes and Dues Payable	1.317.941	1.154.610
Social Security Premiums Payable	532.624	905.059
Other Payables	15.303.881	490.006
Total	<u>20.190.750</u>	<u>6.503.157</u>

Other Long-Term Payables

There is no other long-term payables. (31.12.2011: none).

As of 31.12.2012 and 31.12.2011 the aging analyzes of other payables and liquidity risk are stated in Note 38.

12. RECEIVABLES AND PAYABLES FROM FINANCE SECTOR OPERATIONS

None. (31.12.2011: None.)

13. INVENTORIES

	<u>31.12.2011</u>	<u>31.12.2012</u>
Raw materials and supplies	32.967.294	27.411.442
Raw Material	-	3.479
Products	44.084	382.623
Goods	24.962	43.272
Other Inventories	2.783	-
Total	<u>33.039.123</u>	<u>27.840.816</u>

Group, stocks have been subject to impairment testing and the remaining stock in the current year there is no set below cost and net realizable value. Therefore, no provision for diminution in value of inventories. As of December 31, 2012 the total amount of the net realizable value of inventories amounted TRY 33.039.123 (31.12.2011: TRY 27.840.816).

As of December 31, 2012 There are no inventory pledged as collateral for the loans.

ANEL ELEKTRİK PROJE TAAHHÜT VE TİCARET A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31
DECEMBER 2012

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

14. BIOLOGICAL ASSETS

None. (31.12.2011: None.)

15. COSTS AND ESTIMATED EARNINGS IN EXCESS OF BILLINGS ON UNCOMPLETED CONTRACTS AND BILLINGS IN EXCESS OF COSTS AND ESTIMATED EARNINGS ON UNCOMPLETED CONTRACTS

	<u>31.12.2012</u>	<u>31.12.2011</u>
Costs And Estimated Earnings In Excess Of Billings On Uncompleted Contracts (*)		
Total	<u>134.334.347</u>	<u>116.828.926</u>

Assets related to construction projects in progress are as follows:

	<u>31.12.2012</u>	<u>31.12.2011</u>
Costs And Estimated Earnings In Excess Of Billings On Uncompleted Contracts	134.334.347	116.828.926
-Domestic Assets related to construction contracts	8.611.267	8.974.595
-Domestic assets related to construction contracts have not unearned yet (*)	25.349.813	6.322.904
-Abroad Assets related to construction contracts	-	-
-Abroad assets related to construction contracts have not unearned yet (*)	100.373.267	101.531.427

(*) Not unearned assets in order to obtain reasonable assurance that the Company will fulfill the necessary conditions are formed, which may be taken out of the fair value of the consolidated financial statements on an accruals basis.

Liabilities related to construction projects in progress are as follows:

	<u>31.12.2012</u>	<u>31.12.2011</u>
Liabilities Related to Ongoing Construction Contracts	<u>7.291.942</u>	<u>11.002.960</u>
Total	<u>7.291.942</u>	<u>11.002.960</u>
Liabilities Related to Ongoing Construction Contracts	7.291.942	11.002.960
-Domestic progress payments on construction contracts	-	-
-Over-invoiced amount for domestic construction contracts	2.007.931	777.017
-Abroad construction progress payments on contracts	-	-
-Over-invoiced amount for abroad construction contracts	5.284.011	10.225.943

Guarantees given and received for the projects described in Note 23.

ANEL ELEKTRİK PROJE TAAHHÜT VE TİCARET A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31
DECEMBER 2012

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

16. INVESTMENTS ACCORDING TO EQUITY METHOD

Details of investments according to equity method evaluation as of December 31, 2012 and December 31, 2011 are as follows;

	Participation		Participation	
	Rate (%)	31.12.2012	Rate (%)	31.12.2011
Anel Telekomünikasyon Elekt. Sist. San. ve Tic. A.Ş. (*)	27,41	12.185.506	27,41	5.202.035
Goodwill (**)		16.466.160		16.466.160
Impairment (-)		(5.364.216)		(5.364.216)
Pay received for the change in shareholders' equity		(19.020)		-
Total		23.268.430		16.303.979

(*) On the Istanbul Stock Exchange (ISE) traded at Anel Telecommunications and Electronic Systems Industry and Trade Inc. As of December 28, 2012 issued by the ISE best bid among current orders pending the settlement price per unit of 1.56 evaluated in price over the fair value of TRY 21.381.819. (31.12.2011: TRY 11.650.350)

(**) Calculated the total amount of goodwill Anel Telecommunications and Electronic Systems Industry and Trade Co. Inc. participated in the rate of adoption is composed of 27.41%.

By equity method associates the above assets, liabilities, equity, revenue and profit and loss information is listed below;

	31.12.2012	31.12.2011
Total assets	179.191.605	286.249.901
Total liabilities	(113.383.752)	(248.435.098)
Net Assets	65.807.853	37.814.803
Minority Interests	(21.351.427)	(18.836.201)
Shareholders' Equity	44.456.426	18.978.602
The Group's share of net assets of associates	18.037.933	10.365.038
Revenues	39.389.674	127.993.664
Profit for the Period	(3.431.403)	(18.783.153)
The Group's share of associates' profit for the year	(940.548)	(5.148.462)

ANEL ELEKTRİK PROJE TAAHHÜT VE TİCARET A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31
DECEMBER 2012

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

17. INVESTMENT PROPERTY

Asset Amount	01.01.2012				Increase/(Decrease) in Value	31.12.2012
	Opening Balance	Addition	Disposals	Transfer		
Buildings and Land	117.239.553	233.702	-	39.518	3.117.298	120.630.071
Total	117.239.553				3.117.298	120.630.071
Asset Amount	01.01.2011				Increase/(Decrease) in Value	31.12.2011
	Opening Balance	Addition	Disposals	Transfer		
Buildings and Land	110.158.570	516.575	(1.758.000)	469.251	7.853.157	117.239.553
Total	110.158.570					117.239.553

(*) Additions amount of the investment properties of the Group during the year consist of the additional spending.

Anel Group Business Centre building in Ümraniye investment properties, the Group is not affiliated with the CMB licensed independent valuation firm SOM Corporate Real Estate Appraisal and Consulting Services Pte Ltd to the değerletmiştir. Group management, the valuation of companies with professional knowledge on the subject, and the latest information about the location and category of the investment property thinks that.

The valuation, the valuation appraisal report issued by the Company dated 22 March 2013 by £ 113 million in real estate value has been appreciated. Value of the property cost method, the value of the property in the sales comparison method Bakirköy determined.

The independent valuation of the real estate section in the consolidated Group companies using 26 episodes, with TRY 534.903 of the net fair value of the tangible fixed assets, other than that reported in the remaining sections of the investment properties is TRY 120.095.168.

In addition, the Group's investment properties and Koşuyolu outside Anel Business Center and other buildings in Bakirköy, though not affiliated with the CMB Group is a licensed independent valuation firm, TSKB Real Estate Appraisal between 1 March 2013 and 1 March 2012 respectively by the reports are valued. The fair values of the properties in question, respectively, reports held TRY 2.676.000 and TRY 4.310.000 has been recognized as. Koşuyolu cost method in the value of the property, the cost of Bakirköy were determined by the value of the property.

At balance sheet date, investment property, property, building or development, maintenance, repair or remediation obligations arising from contracts available.

In the current period, TRY 10.326.610 has rental income from investment properties. TRY 4.357.978 Total direct operating expenses related to this property. Eur 48 million on the Group's investment properties are mortgaged.

As of 12/31/2012, TRY 96.151.602 on investment properties (31.12.2011: TRY 90 million), insurance coverage is available.

ANEL ELEKTRİK PROJE TAAHHÜT VE TİCARET A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31
DECEMBER 2012

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

18. PROPERTY, PLANT AND EQUIPMENT

	01.01.2012						31.12.2012	
	Opening Balance	Additions	Foreign	Transfer	Value	Adjustment (*)	Closing Balance	
			Currency Translation Difference		Increase/ (Decrease)			
Asset Amount								
Land	1.286.751	-	(8.587)	-	-	-	1.278.164	
Buildings	580.984	-	-	(39.518)	14.303	-	555.769	
Infrastructure and land improvements	129.376	-	(7.280)	-	-	-	122.096	
Plants, machinery and equipment	3.201.158	2.998.530	(172.159)	-	-	-	20.840.012	
Vehicles	334.041	428.458	(4.030)	14.812.483	-	-	758.469	
Furnitures and fittings								
Purchasing	9.028.763	519.472	(222.569)	-	-	-	9.325.666	
-Leasing	1.157.007	60.397	-	-	-	-	1.217.404	
Other fixed assets	160.074	58.750	(1.323)	-	-	-	217.501	
Leasehold improvement	480.772	-	-	-	-	-	480.772	
Construction in Progress	4.894.370	12.911.797	(203.468)	(14.812.483)	-	-	2.790.216	
Total	21.253.296	16.977.404	(619.416)	(39.518)	14.303	-	37.586.069	
Accumulated Depreciation (-)								
Buildings	(21.813)	-	-	-	947	-	(20.866)	
Infrastructure and land improvements (-)	(26.623)	(6.121)	1.498	-	-	-	(31.246)	
Plants, machinery and equipment (-)	(640.468)	(1.075.136)	30.541	-	-	-	(1.685.063)	
Vehicles (-)	(144.680)	(117.865)	2.754	-	-	-	(259.791)	
Furnitures and fittings (-)								
- Purchasing	(5.625.164)	(1.438.751)	125.279	-	-	464.892	(6.473.744)	
- Leasing	(356.841)	(122.873)	-	-	-	-	(479.714)	
Other fixed assets (-)	(121.348)	(2.980)	366	-	-	-	(123.962)	
Leasehold improvement (-)	(394.464)	(31.842)	-	-	-	-	(426.306)	
Total	(7.331.401)	(2.795.568)	160.438	-	947	464.892	(9.500.692)	
Property, Plant and Equipment, Net	13.921.895						28.085.377	

(*) Correction of the rate of depreciation in the assets of the Group as a result of balance as a portion of fixtures.

As of 31.12.2011, on Tangible Assets TRY 339.444 and TRY 5.641.225 (31.12.2011: TRY 487.881 and TRY 11.702.500) available insurance coverage.

(*) The Company is classified as an investment property and Ümraniye 26 independent sections of the business center, a portion of the ground floor is being used by the Group, are reported in tangible fixed assets (Note 17).

ANEL ELEKTRİK PROJE TAAHHÜT VE TİCARET A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

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

18. PROPERTY, PLANT AND EQUIPMENT (Continued)

Asset Amount	01.01.2011		Foreign Currency Translation Difference		Transfer (Disposals)	Acquired in business combinations	31.12.2011	
	Opening Balance	Additions	Transfers	Differences			Value Increase/ (decrease)	Ending Balance
Land	-	-	1.138.057	-	-	148.694	-	1.286.751
Buildings (*)	1.004.154	-	(469.251)	-	-	-	46.081	580.984
Infrastructure and land improvements	105.890	-	-	23.486	-	-	-	-
Plants, machinery and equipment	1.298.734	1.632.704	-	260.116	-	9.603	-	129.376
Vehicles (-)	144.204	56.726	-	13.000	(18.262)	138.373	-	3.201.158
-Purchasing								334.041
-Leasing	7.748.977	650.250	-	635.793	(6.258)	-	-	9.028.763
Other fixed assets (-)	1.157.007	-	-	-	-	-	-	1.157.007
Leasehold Improvements	152.109	-	-	7.965	-	-	-	160.074
Construction in Progress	480.772	-	-	-	-	-	-	480.772
Total	12.091.848	2.339.680	940.361	668.806	(24.520)	4.894.370	46.081	21.253.296
Accumulated Depreciation (-)								
Buildings	(20.083)	-	-	-	-	-	(1.730)	(21.813)
Infrastructure and land improvements(-)	(16.479)	(6.486)	(3.658)	-	-	-	-	(26.623)
Plants, machinery and equipment (-)	(199.213)	(413.343)	(25.230)	-	-	(2.682)	-	(640.468)
Vehicles (-)	(91.023)	(26.378)	(6.283)	-	17.653	(38.649)	-	(144.680)
-Purchasing	(3.887.816)	(1.460.869)	(278.455)	-	1.977	-	-	(5.625.163)
-Leasing	(237.894)	(118.947)	-	-	-	-	-	(356.841)
Other fixed assets (-)	(120.167)	-	(1.181)	-	-	-	-	(121.348)
Leasehold Improvements (-)	(393.478)	(986)	-	-	-	-	-	(394.464)
Total	(4.966.153)	(2.027.010)	(314.807)	-	19.630	(41.331)	(1.730)	(7.331.401)
Buildings								
Property, Plant and Equipment, Net	7.125.694							13.921.895

ANEL ELEKTRİK PROJE TAAHHÜT VE TİCARET A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31
DECEMBER 2012

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

18. PROPERTY, PLANT AND EQUIPMENT (Continued)

Useful lives of tangible fixed assets are as follows:

	Economic Life
Land and land improvements	3-14
buildings	50
Plant, machinery and equipment	3-14
Vehicles	5
Furniture and fixtures	3-14
Other Tangible Assets	5
Leasehold Improvements	5

At balance sheet date, the net book value of the assets subject to finance lease are as follows:

Net Assets	<u>31.12.2012</u>	<u>31.12.2011</u>
Furniture and fixtures (net)	737.690	800.166

19. INTANGIBLE FIXED ASSETS

	<u>01.01.2012</u>			<u>31.12.2012</u>
	<u>Opening</u>			
<u>Asset Amount</u>	<u>Balance</u>	<u>Additions</u>	<u>Disposals</u>	<u>Ending Balance</u>
Rights	912.680	2.199.418	-	3.112.098
Total	912.680	2.199.418	-	3.112.098
<u>Accumulated Amortization (-)</u>				
Rights	(678.497)	(219.144)	-	(897.641)
Total	(678.497)	(219.144)	-	(897.641)
Intangible Fixed Assets, Net	234.183			2.214.457

	<u>01.01.2011</u>			<u>31.12.2011</u>
	<u>Opening</u>			
<u>Asset Amount</u>	<u>Balance</u>	<u>Additions</u>	<u>Disposals</u>	<u>Ending Balance</u>
Rights	845.986	66.694	-	912.680
Total	845.986	66.694	-	912.680
<u>Accumulated Amortization (-)</u>				
Rights	(530.198)	(148.299)	-	(678.497)
Total	(530.198)	(148.299)	-	(678.497)
Intangible assets, net	315.788			234.183

ANEL ELEKTRİK PROJE TAAHHÜT VE TİCARET A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31
DECEMBER 2012

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

20. POSITIVE / NEGATIVE GOODWILL

Cost Value	<u>31.12.2012</u>	<u>31.12.2011</u>
Opening Balance	173.385	173.385
End of the period	<u>173.385</u>	<u>173.385</u>

(*)As of 31.12.2012 the Group management in terms of impairment of goodwill in the consolidated financial statements are reviewed. In this context, the amount of goodwill was tested for impairment in accordance with IAS 36. Have been found not to be impaired as a result of the analysis of goodwill.

On 31 December 2012 goodwill impairment test is performed with the current value of the goodwill. AnelMarin Marine Electrical Electronics. Syst. Trade and Industry Co., Ltd. of the shares amounting to £ 173,385 in the financial statements arising from the attached goodwill impairment test, all assets and liabilities are accounted for as a single cash generating unit. The recoverable amount is estimated by management based on the value in use of the five-year projection has been determined.

10.33% discount rate used for cash flows' species. The estimated value of the cash flows, discounted cash flows consist of five years until 2017. Cash flows beyond the 5-year estimated growth rate of the country taking into account the expected inflation rate of 3% per year was estimated using a constant growth rate. As a result of the impairment test, AnelMarin Marine Electrical Electronics. Syst. Commerce and Industry, Inc., and the goodwill arising from the acquisition value of the cash-generating unit is determined that an impairment loss.

21. GOVERNMENT GRANTS

None. (31.12.2011: None).

22. PROVISIONS AND CONTINGENT ASSETS AND LIABILITIES

a) Provisions

None. (31.12.2011: None.)

b) Contingent Assets and Liabilities

None (31.12.2011: None.)

ANEL ELEKTRİK PROJE TAAHHÜT VE TİCARET A.Ş.AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31
DECEMBER 2012

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

23. PROVISIONS AND CONTINGENT ASSETS AND LIABILITIES

Conditional assets for the electrical and mechanical projects are as follows;

	31.12.2012			
	USD	EUR	TRY	TRY Amount
Letters of Guarantees Received	620.500	344.152	528.800	2.444.246
Guaranteed Bill Received	636.971	137.073	289.762	1.747.581
Guaranteed Cheques Received	83.000	46.500	1.840.322	2.097.632
Total	1.340.471	527.725	2.658.884	6.289.459

	31.12.2011			
	USD	EUR	TRY	TRY Amount
Letters of Guarantees Received	89.500	1.176.284	90.000	3.133.659
Guaranteed Bill Received	339.347	178.906	832.302	1.910.505
Guaranteed Cheques Received	83.000	85.000	1.641.281	2.005.783
Total	511.847	1.440.190	2.563.583	7.049.947

	31.12.2012					
	USD	EUR	AED	RUB	TRY	TRY Amount
Related to Electrical Projects						
Letters of Guarantees Given	52.960.152	9.710.615	28.000.000	45.529.520	14.436.915	147.590.407
Bonds of Guarantees Given	149.297	2.903.626	-	-	325.200	7.419.794
Checks of Guarantees Given	-	211.420	-	-	-	497.196
Other						
Letters of Guarantees Given	3.000.000	-	-	-	964.850	6.312.650
Bonds of Guarantees Given	-	-	-	-	-	-
Checks of Guarantees Given	-	-	-	-	-	-
Mortgages given	-	48.000.000	-	-	-	112.881.600
Total	56.109.449	60.825.661	28.000.000	45.529.520	15.726.965	274.701.647

ANEL ELEKTRİK PROJE TAAHHÜT VE TİCARET A.Ş.AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31
DECEMBER 2012

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

22. PROVISIONS AND CONTINGENT ASSETS AND LIABILITIES (continued)

	31.12.2011			
	USD	EUR	TRY	TRY Amount
Related to Electrical Projects				
Letters of Guarantees Given	73.271.012	7.906.313	30.659.625	188.382.688
Bonds of Guarantees Given	149.297	2.070.419	325.200	5.666.896
Checks of Guarantees Given	-	211.420	-	516.668
Other				
Letters of Guarantees Given	6.200	-	1.414.544	1.426.255
Mortgages given	-	48.000.000	-	117.302.400
Total	73.426.509	58.188.152	32.399.369	313.294.907

	31.12.2012					
	TRY Amount	USD	EUR	AED	RUB	TRY
Guarantees given by the Group (Margin - Pledge - Mortgages)						
1.Total amount of GPMs given for the company	267.512.824	54.906.699	59.867.244	28.000.000	-	15.536.265
2. Total amount of GPMs given for the companies consolidated	6.998.122	1.202.750	958.417	-	45.529.520	-
3. Total amount of GPMs given for the third parties In order to operate the usual trading activity	-	-	-	-	-	-
4.Total amount of other GPMs given	190.700	-	-	-	-	190.700
-Total amount of GPM given on behalf of its own legal personality	-	-	-	-	-	-
-Total amount of GPMs given for the group companies not included in items 2 and 3.	190.700	-	-	-	-	190.700
-Total amount of GPMs given for the third parties not included in item 3.	-	-	-	-	-	-
Total	274.701.647	56.109.449	60.825.661	28.000.000	45.529.520	15.726.965

ANEL ELEKTRİK PROJE TAAHHÜT VE TİCARET A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31
DECEMBER 2012

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

23. PROVISIONS AND CONTINGENT ASSETS AND LIABILITIES (continued)

Conditional Liabilities

	<u>TRY Amount</u>	<u>USD</u>	<u>EUR</u>	<u>31.12.2011</u> <u>TRY</u>
1 Total amount of GPMs given for the company	308.763.764	73.396.309	58.185.452	27.931.869
2. Total amount of GPMs given for the companies consolidated	4.519.432	24.000	2.700	4.467.500
3. Total amount of GPMs given for the third parties in order to operate the usual trading activity	-	-	-	-
4. Total amount of other GPMs given	11.711	6.200	-	-
- Ana ortak lehine vermiş olduğu TRİ'lerin toplam tutarı	-	-	-	-
- Total amount of GPMs given for the group companies not included in items 2 and 3.	11.711	6.200	-	-
- Total amount of GPMs given for the third parties not included in item 3.	-	-	-	-
Total	<u>313.294.907</u>	<u>73.426.509</u>	<u>58.188.152</u>	<u>32.399.369</u>

Guarantees given by the Group's equity ratio as of 31.12.2011 Other 0% (0% as of 31.12.2010).

As of 31.12.2012 and 31.12.2011, the distribution by types of CPM are shown below.

	31.12.2012					
<u>Guarantees, Pledges and Mortgages</u>	<u>Total TRY Amount</u>	<u>USD</u>	<u>EUR</u>	<u>TRY</u>	<u>RUB</u>	<u>TRY</u>
Guarantees	161.820.047	56.109.449	12.825.661	28.000.000	45.529.520	15.726.965
Pledges	-	-	-	-	-	-
Mortgages	112.881.600	-	48.000.000	-	-	-
Total	<u>274.701.647</u>	<u>56.109.449</u>	<u>60.825.661</u>	<u>28.000.000</u>	<u>45.529.520</u>	<u>15.726.965</u>

	31.12.2011			
<u>Guarantees, Pledges and Mortgages</u>	<u>Total TRY Amount</u>	<u>USD</u>	<u>EUR</u>	<u>TRY</u>
Guarantees	195.992.507	73.426.509	10.188.152	32.399.369
Pledges	-	-	-	-
Mortgages	117.302.400	-	48.000.000	-
Total	<u>313.294.907</u>	<u>73.426.509</u>	<u>58.188.152</u>	<u>32.399.369</u>

ANEL ELEKTRİK PROJE TAAHHÜT VE TİCARET A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31
DECEMBER 2012

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

24. EMPLOYEE BENEFITS

Short-Term Employee Benefits

	<u>31.12.2012</u>	<u>31.12.2011</u>
Unused Vacation rights	409.995	574.868

Long Term Employee Benefits

	<u>31.12.2012</u>	<u>31.12.2011</u>
Provision for employee termination benefits	834.435	686.475

Under Turkish law, and any group that fills a one-year service period is terminated without due cause, is called up for military service, dies, 20-year period of service for men, 25 women have been filled or the retirement age (women 58 and 60 years), the staff has to make severance payments.

The liability is not subject to any funding. The provision Grup'in, arising from the retirement of employees is calculated by estimating the present value of future probable obligation. IAS 19 ("Employee Benefits"), group obligations under defined benefit plans using actuarial valuation methods to be developed. Accordingly, the actuarial assumptions used in calculating the total liabilities are as follows:

Balance sheet date, an annual inflation rate of 5% and 8,5% based on the assumption that the discount rate, about 3,33% real discount rate is calculated according to the assumptions of the following retirement. (December 31, 2011: 5,10%, respectively 10% and 4.66%).

	<u>31.12.2012</u>	<u>31.12.2011</u>
Annual discount rate (%)	3,33	4,66
Probability of retirement (%)	88,13	86,17

The main assumption, the maximum liability for each year of service will only grow in line with inflation. Therefore, the discount rate applied represents the expected real rate after adjusting for the effects of future inflation. Therefore, as of December 31, 2012 and, December 31, 2011 the accompanying financial statements provisions for the future probable obligation arising from the retirement of employees is calculated by estimating the present value.

The Group's provisions for severance pay, retirement pay ceiling is adjusted every six months, effective from 1 January 2012 is calculated based on the TRY 3.129. (31.12.2011: TRY 2.805)

The movement of provision for severance pay as follows:

	<u>01.01-31.12.2012</u>	<u>01.01-31.12.2011</u>
Provisions as of January 1	686.475	689.906
Cost of services	275.237	169.437
Interest cost	32.902	31.947
Retirement benefits paid	(226.894)	(247.311)
Actuarial gain / loss	66.715	42.496
Provision at 31 December	<u>834.435</u>	<u>686.475</u>

*)As of 31 December 2012 TRY66,715 (2011: TRY 42,496) Actuarial loss amounting recognized in other comprehensive income.

Total service cost and interest cost, have been included in general and administrative expenses.

25. RETIREMENT PLANS

None. (31.12.2011: None.)

ANEL ELEKTRİK PROJE TAAHHÜT VE TİCARET A.Ş.AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31
DECEMBER 2012

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

26. OTHER CURRENT/NONCURRENT ASSETS AND LIABILITIES

	31.12.2012	31.12.2011
Other Current Assets		
Order Advance Given	12.946.311	3.827.958
Prepaid Expenses	798.267	728.050
Income Accrual	326	4.323.597
VAT Carried Forward	14.941.339	13.017.685
Prepaid Taxes and Funds	4.970.680	1.992.942
Other VAT	438.757	-
Advances given for business purposes	340.113	339.377
Advances given to personnel	48.130	430.704
Other current assets	1.149.436	2.239.051
Advances given to related parties	112.744	241.679
Total	35.746.103	27.141.043
Other Non-current Assets	31.12.2012	31.12.2011
Advances Given	111.425	112.460
Prepaid Expenses	-	318.322
Prepaid Taxes and Funds	3.385.097	7.304.311
Total	3.496.522	7.735.093
Other Current Liabilities	31.12.2012	31.12.2011
Advances Received	62.299.586	90.995.674
Prepaid Income	1.539.670	758.468
Expense Accruals	1.590.226	3.341.371
Advances from related parties	-	939.080
Other Liabilities	9.342	-
Total	65.438.824	96.034.593
Other Non-Current Liabilities	31.12.2012	31.12.2011
Income related with future periods	1.680.197	2.517.309
Other	-	73.063
Total	1.680.197	2.590.372

ANEL ELEKTRİK PROJE TAAHHÜT VE TİCARET A.Ş.AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31
DECEMBER 2012

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

27. SHARE CAPITAL

Paid Capital

As of December 31, 2012 and 2011, paid / issued share capital is as follows:

	31.12.2012		31.12.2011	
Shareholders	Share Amount	Share (%)	Share Amount	Share (%)
Rıdvan Çelikel (**)	47.142.089	42,86	50.780.773	46,16
Avniye Mukaddes Çelikel	5.677.039	5,16	5.677.039	5,16
Mahir Kerem Çelikel	1.526.758	1,39	1.526.758	1,39
Other in Real Person	45.174	0,04	45.174	0,04
Publicly Offered Shares (*)	55.608.940	50,55	51.970.256	47,25
Paid-in capital	110.000.000	100,00	110.000.000	100,00

(*) Publicly offered shares of the Group are being traded in ISE (Istanbul Stock Exchange)

(**) Rıdvan Çelikel shareholders of the Company, the Company owned 1.638.684 shares in the capital of part of the shares of publicly traded shares of capital and the amount of TRY48.780.773 and a total of 44.35% of the shares.

The Group use authorized capital system and the equity ceiling is TRY 200.000.000.

The Company's issued share capital, historical value, TRY 110.000.000. (31.12.2011: TRY 110.000.000). which consisted of 22.188.841 A-group shares and 87.811.159 B-group shares authorized and fully paid shares each having 1 TRY nominal value. A-group shareholders have two voting rights and B-group shareholders have one voting rights for each share owned at the General Assembly meeting. All of the A-group shares belong to Rıdvan Çelikel.

As of 31 December 2011, the Company's share capital in the statutory books, is TRY 110.000.000 (31.12.2011: TRY 110.000.000), which consisted of 22.188.841 A-group shares and 87.811.159 B-group shares authorized and fully paid shares each having 1 TRY nominal value. A-group shareholders have two voting rights and B-group shareholders have one voting rights for each share owned at the General Assembly meeting. All of the A-group shares belong to Rıdvan Çelikel.

Share premium

	31.12.2012	31.12.2011
Share premium (*)	1.384.433	1.339.604
Total	1.384.433	1.339.604

Revaluation Reserves

	31.12.2012	31.12.2011
Revaluation surplus of financial assets (*)	(348.487)	-
Revaluation Surplus of Tangible Fixed Assets	1.215.179	1.190.779
Total	866.692	1.190.779

Foreign Currency Translation Differences

	31.12.2012	31.12.2011
Foreign Currency Translation Differences	12.839.177	18.161.347
Total	12.839.177	18.161.347

Actuarial (Gain) / Loss Fund

	31.12.2012	31.12.2011
Actuarial (Gain) / Loss Fund	(89.612)	(32.384)
Toplam	(89.612)	(32.384)

ANEL ELEKTRİK PROJE TAAHHÜT VE TİCARET A.Ş.AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31
DECEMBER 2012

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

27. SHARE CAPITAL (continued)

Minority Interest

	<u>31.12.2012</u>	<u>31.12.2011</u>
Restricted Reserves	2.955.734	1.357.003
Total	<u>2.955.734</u>	<u>1.357.003</u>

(*)The adjustments made on legal books of Company has applied retrospectively on financial statements.

Accumulated profits in statutory books can be distributed except for the following legal provision related to legal reserves. According to Turkish Commercial Code, legal reserves can be categorized as order I (first) legal reserves and order II (second) legal reserves. Order I (first) legal reserves are apportioned as 5% of statutory net profit to the extent that they reach to 20% of the company's paid-in capital. Order II (second) legal reserves equal to 10% of distributable profit exceeding 5% of paid-in capital.

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.

In addition, in accordance with the CMB regulations effective until 1 January 2008, "Capital, Share 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 "inflation adjustment differences" at the initial application of inflation accounting. "Equity inflation adjustment differences" could have been utilised in issuing bonus shares and offsetting accumulated losses, carrying amount of extraordinary reserves could have been utilised in issuing bonus shares, cash dividend distribution and offsetting accumulated losses.

In accordance with the Communiqué No:XI-29 and related announcements of CMB, effective from 1 January 2008, "Share capital", "Restricted Reserves" and "Share Premiums" shall be carried at their statutory amounts. The valuation differences (such as inflation adjustment differences) shall be disclosed as follows:

- if the difference is arising due to the inflation adjustment 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 due to the inflation adjustment of "Restricted Reserves" and "Share Premium" and the amount has not been utilised in dividend distribution or capital increase yet, 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.

	<u>31.12.2012</u>	<u>31.12.2011</u>
Retained earnings / (Accumulated Losses)	89.446.841	65.780.075
Total	<u>89.446.841</u>	<u>65.780.075</u>

Minority Interest

As of 31 December 2012 and 31 December 2011 the detail of the group's minority interest is as follows:

ANEL ELEKTRİK PROJE TAAHHÜT VE TİCARET A.Ş.AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31
DECEMBER 2012

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

27. SHARE CAPITAL (continued)

	<u>31.12.2012</u>	<u>31.12.2011</u>
Opening Balance	25.395.995	26.771.071
Additions	-	881.812
Change retated to consolidation	(47.416)	84.393
Attributable to Equity Holders of the Parent	3.775.148	(2.341.281)
Total	<u>29.123.727</u>	<u>25.395.995</u>

Profit Distribution

Angle of Public companies distribute dividends make the CMB regulations as follows:

Capital Markets Board dated January 27, 2010 2/51, under the decision of a public joint stock companies in 2010 to determine the principles regarding the distribution of profits from activities that they are not publicly traded shares of joint stock companies have not been any minimum dividend distribution requirement, the CMB Series IV, No: 27 Communiqué of the principles, basis contracts, partnerships and corporations publicly disclosed by the provisions of a profit distribution policies are decided. Group 1 of the Articles of Association Dividend rates are 50%. In addition, dated 25 February 2005 and 7/42 numbered CMB accordance with the decision over the net distributable profit, according to CMB regulations, the minimum dividend obligation calculated in accordance with CMB's profit distribution amount, the entire case of the statutory net distributable profit, this amount be covered by the statutory net distributable profit should be distributed. Statutory financial statements prepared in accordance with CMB regulations or in the case of any period will be made.

Capital Markets Board dated January 27, 2010 2/51, under the decision of a public joint stock companies in 2010 to determine the principles regarding the distribution of profits from operations of which they are obliged to prepare consolidated financial statements of companies, as long as the source of the statutory accounts, the amount of net distributable profit, Serial XI, No: 29 Communiqué on Principles Regarding Financial Reporting in Capital Markets under the consolidated financial statements of the publicly announced, taking into account in the calculation of net income has been decided. In addition, a public joint stock companies in accordance with the decision of 2010 regarding the determination of the principles of distribution of profits from activities such as they;

Companies, legislative record profit for the past year remaining after deduction of the losses and the total amount of other resources that can be subject to profit distribution, Serial XI, No: 29 of the notes to the

Profit Distribution

The statutory accounts of the Company as of the balance sheet for the period TRY(2.692.717) . (31 December 2011: 26.849.483 Profit). Detailed information about resources to be distributed as dividend as follows:

Equity Items	<u>31.12.2012</u>	<u>31.12.2011</u>
Capital	110.000.000	110.000.000
Share premium	1.384.433	1.339.604
Extraordinary Reserves	36.663.418	6.287.520
Restricted Reserves	2.830.703	1.231.972
Retained earnings / (Accumulated Losses)	-	8.920.231
Net Profit / (Loss)	(2.692.717)	26.849.483
Total	<u>148.185.837</u>	<u>154.628.810</u>

ANEL ELEKTRİK PROJE TAAHHÜT VE TİCARET A.Ş.AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31
DECEMBER 2012

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

28. SALES AND COST OF SALES

	01.01-31.12.2012	01.01-31.12.2011
Sales (net)		
Domestic Sales	116.676.077	128.880.530
Foreign Sales	177.775.333	218.851.691
Rental Income	12.086.660	8.923.151
Other Income	470.841	704.994
Total Income	307.008.911	357.360.366
Sales Returns (-)	(27.527)	(316.232)
Sales revenue, net	306.981.384	357.044.134
I - Cost of Goods Sold	(1.295.180)	(1.640.113)
II - Cost of goods sold	(15.349.889)	(8.489.571)
III - Cost of Services	(242.404.759)	(293.394.189)
IV-Other Cost of Sales	-	-
V-Depreciation Expenses	(1.330.844)	(1.263.537)
VI - Depreciation and Amortization	-	-
Cost of Sales (I + II + III + IV + V + VI)	(260.380.672)	(304.787.410)
GROSS PROFIT / LOSS	46.600.712	52.256.724

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

Marketing, Sales and Distribution Expenses	01.01-31.12.2012	01.01-31.12.2011
Staff costs	665.188	735.501
Depreciation and Amortization Expenses	-	6.624
Transportation expense	19.291	-
Consulting expenses	136.043	255.778
Car Expenses	31.345	-
Data Processing Expenses	11.747	-
Department Participation Share	35.153	-
Insurance Costs	22.377	-
Taxes, duties and levies	3.474	-
Food Costs	4.373	-
Other Expenses	71.966	172.953
Total	1.000.957	1.170.856

ANEL ELEKTRİK PROJE TAAHHÜT VE TİCARET A.Ş.AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31
DECEMBER 2012

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

29. RESEARCH AND DEVELOPMENT EXPENSES, MARKETING, SALES AND DISTRIBUTION EXPENSES, GENERAL ADMINISTRATIVE EXPENSES (continued)

General and Administrative Expenses	01.01-31.12.2012	01.01-31.12.2011
Staff costs	11.566.544	9.242.129
Depreciation and Amortization Expenses	1.683.869	905.148
Transportation expenses	572.797	561.771
Consulting expenses	2.477.903	1.027.750
Maintenance Expenses	256.018	147.715
Data Processing Expenses	269.057	530.441
Bank Costs	33.772	65.819
Fees Expenses	33.418	52.252
Car Expenses	670.052	795.361
Electricity, water and heating expenses	331.691	176.799
Communication Expenses	66.340	31.143
Non deductible expenses	681.232	605.967
Advertising Expenses	29.999	9.926
Shipping Costs	23.127	15.018
Security Expenses	13.558	15.235
Department Participation Share	6.414.903	1.500.977
Stationery Expenses	66.341	105.102
Material Expenses	97.149	257.526
Brand and Trademark Expenses	293.882	26.672
Fines	195.547	16.197
Printing Expenses	42.933	65.739
Shipping Costs	25.589	125.703
Notary Expenses	11.111	21.168
Representation Hospitality Expenses	56.869	157.565
Operating Expenses Sap	166.132	51.012
Insurance Costs	276.904	82.721
Cleaning Expenses	156.742	81.695
Taxes, duties and levies	135.284	176.776
Food Costs	387.104	421.286
Severance Pay Expenses	308.139	201.384
Provision for Doubtful Receivables	5.571.482	-
Other Expenses	1.150.498	1.238.655
Total	34.065.986	18.712.652

ANEL ELEKTRİK PROJE TAAHHÜT VE TİCARET A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31
DECEMBER 2012

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

30. EXPENSES BY NATURE

Expenses by Nature	01.01-31.12.2012	01.01-31.12.2011
Personnel Costs	12.231.732	9.977.630
Amortization and depreciation Expenses	3.014.713	2.175.309
Consulting expenses	2.613.946	1.283.528
Department Participation Share	6.414.903	1.500.977
Total	24.275.294	14.937.444

31. INCOME / EXPENSES FROM OTHER OPERATIONS

Income From Other Operations	01.01-31.12.2012	01.01-31.12.2011
Unnecessary Provision	388.579	774.157
Increase in Value of Investment Properties	3.117.298	7.853.157
Rental Income	-	148.908
Department Participation Income	178.951	1.205.760
Other Incomes	1.995.699	66.071
Total	5.680.527	10.048.053

Expenses From Other Operations (-)	01.01-31.12.2012	01.01-31.12.2011
Loss on sale of fixed assets (-)	-	165.575
Loss and expenses for the previous period(-)	5.706	244.184
Other Expenses (-)	768.154	774.565
Total	773.860	1.184.324

32. FINANCIAL INCOMES

	01.01-31.12.2012	01.01-31.12.2011
Increase in Value of Financial Assets	4.643	29.150
Interest Income	4.111.212	2.608.986
Foreign Exchange Gain	29.976.526	46.129.429
Total	34.092.381	48.767.565

33. FINANCIAL EXPENSES

	01.01-31.12.2012	01.01-31.12.2011
Decrease in Value of Financial Assets (-)	37.361	14.063
Foreign Exchange Losses (-)	30.106.070	53.048.527
Interest Paid on Loans (-)	9.811.986	8.398.057
Total	39.955.417	61.460.647

34. NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

None. (31.12.2011: None.)

ANEL ELEKTRİK PROJE TAAHHÜT VE TİCARET A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31
DECEMBER 2012

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

35. TAX ASSETS AND LIABILITIES (ERTELENMİŞ VARLIK VE YÜKÜMLÜLÜKLER)

Tax Provision

	31.12.2012	31.12.2011
Current Income tax provision (-)	(4.296.413)	(3.753.448)
Deferred tax expense / (income)	(1.549.827)	3.283.214
Total	(5.846.240)	(470.234)

Corporate Tax

The Group is subject to Turkish corporate taxes. The estimated tax liabilities of the Group's results for the period is recognized in the accompanying consolidated financial statements.

The corporate tax rate on taxable profit will be accrued expense in determining accounting profit and tax-exempt non-deductible expenses, gains and other non-taxable income deductions (prior year losses and investment incentives) on taxable income after the deduction of calculated.

As at 31 December 2012 and 31 December 2011, the Group offset against future profits will be achieved TRY 9.364.762, and 6.450.131, respectively, amounting to has unused tax losses. Unused tax losses, to be available at the following dates will lose quality.

	31.12.2012	31.12.2011
Will end in 2012	-	-
Will end in 2013	-	-
Will end in 2014	-	874.658
Will end in 2015	-	494.916
Will end in 2016	9.364.762	5.080.557
Total	9.364.762	6.450.131

Movements in current income tax liability are as follows.

	2012	2011
1 January	3.963.733	2.989.932
Current Tax Expense	4.296.413	3.753.448
Taxes paid	(3.753.448)	(2.935.608)
Foreign Currency Translation Differences	(282.633)	155.961
Current income tax liabilities	4.224.065	3.963.733

Corporations calculate and pay quarterly temporary corporate tax of 20%. (2011: %20).

The temporary taxes paid within the year will be offset against the final corporate tax liability for the year. The temporary tax can be offset against any other financial liability against the state. Corporate tax losses can be carried forward for a maximum period of five years following the year in which the losses were incurred. But financial losses can not be offset against the prior year's profits.

Carried back to Turkey on tax there is no procedure. The annual accounting period until the close of the fourth month following the month of 25th. However, the tax authorities review the accounting records for five years and amount of tax payable may vary if errors are detected.

Tax liability table for the current period profit is a follows.

ANEL ELEKTRİK PROJE TAAHHÜT VE TİCARET A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31
DECEMBER 2012

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

35. TAX ASSETS AND LIABILITIES (continued)

In addition to corporate taxes, their share of the profit from the distribution of dividends in the event of the company's income in the statements, including non-resident institutions and branches of foreign companies in Turkey on any dividends distributed, except for the calculation of income tax withholding is required. Income tax 24 April 2003 - 22 July 2006 was 10% in all companies. This rate is from 22 July 2006 2006/10731 15% by the Council of Ministers. Undistributed dividends incorporated in share capital are not subject to income tax withholding.

A reconciliation of income tax expense in the period are as follows:

	<u>31.12.2012</u>	<u>31.12.2011</u>
Profit before taxes	9.636.852	23.353.731
The effective tax rate (20%)	(1.927.370)	(4.670.746)
Effect of tax rate and foreign branches and subsidiaries	(473.690)	2.966.445
Non deductible expenses	(193.185)	(221.862)
Unused tax losses of the previous period changes	(582.926)	940.163
The Impact of Loss on Equity Method	(188.110)	(1.029.692)
Effect of other adjustments	(2.480.959)	1.553.793
Total	<u>(5.846.240)</u>	<u>(461.899)</u>

Deferred Tax Liabilities

Deferred tax assets and liabilities at the balance sheet items, Serial: XI No: 29 Communiqué as a result of the reorganization by the values calculated by considering the effects of temporary differences between the legal records. These differences are usually of income and expenses in different reporting periods result in the recognition.

ANEL ELEKTRİK PROJE TAAHHÜT VE TİCARET A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31
DECEMBER 2012

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

35. TAX ASSETS AND LIABILITIES (continued)

Deferred Tax Liabilities (continued)

	Cumulative Timing Difference		Deferred Tax Asset/ (Liability)	
	<u>31.12.2012</u>	<u>31.12.2011</u>	<u>31.12.2012</u>	<u>31.12.2011</u>
<u>Deferred Tax Assets</u>				
Provision of Doubtful Receivable	4.487.650	340.539	896.176	66.673
The Difference Between Book Value and Tax Assessm	17.535.528	13.229.433	3.076.199	2.645.828
Provision of Severance Pay	785.309	691.350	157.062	138.270
Provision of Unused Annual Leave	401.651	558.868	80.330	111.774
Unearned Credit Finance Income	184.894	314.249	36.979	62.849
Reversal of Prior Period Projects' Income Accruals	314.702.060	440.734.823	50.872.578	78.963.832
Foreign Exchange Losses	-	173.665	-	34.733
Financing Expenses	842.717	734.751	168.543	146.950
Unused prior year's losses	9.364.762	6.450.131	1.872.952	1.290.026
Other Adjustment	1.612.200	1.911.705	192.469	382.342
Total	<u>349.916.771</u>	<u>465.139.514</u>	<u>57.353.288</u>	<u>83.843.277</u>

Deferred Tax Liabilities

The Difference Between Book Value and Tax Assessm	(28.794.274)	(23.128.337)	(5.751.840)	(4.623.845)
Unrealized Credit Finance Expense	(156.309)	(270.738)	(31.261)	(54.148)
Projects' Period Income Accruals	(296.981.256)	(437.862.570)	(50.045.240)	(76.293.127)
Foreign Exchange Gain	-	(367.370)	-	(36.737)
Other Adjustments	(20.085)	(332.790)	(4.016)	(35.286)
Total	<u>(325.951.924)</u>	<u>(461.961.805)</u>	<u>(55.832.357)</u>	<u>(81.043.143)</u>

Deferred Tax Asset/ (Liability), net	<u>23.964.847</u>	<u>3.177.709</u>	<u>1.520.931</u>	<u>2.800.134</u>
--------------------------------------	-------------------	------------------	------------------	------------------

Deferred Tax Income/(Expense)	<u>(1.279.203)</u>
Foreign Currency Translation Effect	(261.867)
Saved Revaluation Fund	(8.757)
Deferred Tax Income/(Expense) for the period between 01/01-31/12/2011	<u>(1.549.827)</u>

36. EARNINGS PER SHARE

	<u>01.01.-31.12.2012</u>	<u>01.01.-31.12.2011</u>
Profit/(Loss) of the period	15.464	25.265.496
Unit of shares	110.000.000	110.000.000
Earnings per share	0,00	0,23
Earnings Per Share From Operating Activities	0,00	0,23

ANEL ELEKTRİK PROJE TAAHHÜT VE TİCARET A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

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

37. RELATED PARTY DISCLOSURES

31.12.2012

	Receivables		Non-current		Payables		Non-current	
	Current		Other		Current		Other	
	Trade	Other	Trade	Other	Trade	Other	Trade	Other
Anelİs Mühendislik Sanayi ve Ticaret A.Ş.	2.641.319	883.261	-	-	1.572.413	1.340.799	-	-
Anelİmak Makine ve Elektronik San. ve Tic. A.Ş.	20.484	-	-	-	5.749	-	-	-
Anel Ar-Ge Dan. San. Ve Tic. A.Ş.	11.161	-	-	-	-	-	-	-
Çelİkel Vakfı	12.079	-	-	-	-	-	-	-
Anel Omay A.Ş.	5.192	-	-	-	795.033	-	-	-
Anelİnet Teknik Hizmetler Ltd. Şti.	1.220.166	-	-	-	85	-	-	-
Köprük Turizm ve Yatçılık Ltd. Şti.	222.472	-	-	-	-	-	-	-
Anelİnep Maintenance and Operations LLC	6.407	790.771	-	-	-	-	-	-
Anel Doğa Entegre Geri Dönüşüm Endüstrisi A.Ş.	890.955	9.775.826	-	-	1.212.093	-	-	-
Anel-Sera Adı Ortaklığı	60.724	100.779	-	-	1.923.320	-	-	-
Avek Solar Üretim Sanayi Ticaret A.Ş.	543.216	-	-	-	-	584.948	-	-
EKB(Energinia Company)	43.306	787.637	-	-	-	-	-	-
Anel Holding	314.422	177.000	-	-	-	-	-	-
Anel Telekomünikasyon Elk. Sist. San. ve Tic. A.Ş.	83.339	-	-	-	-	-	-	-
Sera Yapı Endüstri ve Ticaret	961.970	584.948	-	-	-	207.376	-	-
BG Company	3.853.923	-	-	-	-	-	-	-
Anel Doğa	52.452	-	-	-	2.610	-	-	-
Ams Anelİtech Adı Ortaklığı	472	-	-	-	-	-	-	-
Anel Emirates General Comp.	-	432.979	-	-	-	-	-	-
Anel KSA	-	2.304.191	-	-	-	-	-	-
Anelİes Elektronik Üretim ve Paz.	200.348	-	-	-	105.521	-	-	-
Kioto Photovoltaics	-	-	-	-	822.862	-	-	-
Anelİs Bosnia Branch	-	-	-	-	-	1.580	-	-
E Sistem Elektronik A.Ş.	44.708	-	-	-	50.386	-	-	-
Real Person	-	-	-	-	400.000	1.300.909	3.550.838	-
Total	11.189.115	15.837.392	-	-	400.000	7.790.981	5.685.541	-

ANEL ELEKTRİK PROJE TAAHHÜT VE TİCARET A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

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

37. RELATED PARTY DISCLOSURES(continued)

31.12.2011

	Receivables		Non-current		Payables		Non-current	
	Current		Other		Current		Other	
	Trade	Other	Trade	Other	Trade	Other	Trade	Other
Anelİs Mühendislik Sanayi ve Ticaret A.Ş.	161.223	-	-	-	12.097	-	-	-
Anelİs Müh. San. ve Tic. Ltd. Şti. Azerbaycan Cum. Şb.	-	-	-	-	-	149.885	-	-
Anelİs Müh.San. ve Tic.Ltd.Şti.Bosna Şubesi	-	-	-	-	-	1.580	-	-
Anel Ar-Ge Dan. San. Ve Tic. A.Ş.	88.206	-	-	-	-	-	-	-
Çelİkel Vakfı	8.344	-	-	-	-	-	-	-
E-Sistem Elektronik A.Ş.	42.936	-	-	-	50.041	-	-	-
Anelİnet Teknik Hizmetler Ltd. Şti.	2.604.581	-	-	-	749.114	-	-	-
Köprük Turizm ve Yatçılık Ltd. Şti.	217.728	-	-	-	-	-	-	-
Anelİnep Maintenance and Operations LLC	-	1.099.673	-	-	-	-	-	-
Anel Doğa Entegre Geri Dönüşüm Endüstrisi A.Ş.	231.362	-	-	-	-	-	-	-
Anel-Sera Adı Ortaklığı	1.048.124	741.092	-	-	-	-	-	-
Anel Holding	173.267	90.559	-	-	784.875	-	-	-
Anel Telekomünikasyon Elk. Sist. San. ve Tic. A.Ş.	575.330	690.457	-	-	837.841	1.285.926	-	-
Sera Yapı Endüstri ve Ticaret	561.387	-	-	-	1.161.786	790.173	-	-
BG Company	5.599.954	100.782	-	-	5.758.427	-	-	-
Anel KSA	-	2.539.955	-	-	2.032.287	-	-	-
Anelİes Elektronik Üretim ve Paz.	736.409	-	-	-	904.422	-	-	-
Real Person	-	199.516	-	-	400.000	-	581.895	-
Total	12.048.851	5.462.034	-	-	400.000	12.290.890	2.809.459	-

ANEL ELEKTRİK PROJE TAAHHÜT VE TİCARET A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

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

37. RELATED PARTY DISCLOSURES(continued)

	01.01.-31.12.2012					
	01.01.-31.12.2012					
	Good Purchases	Good Sales	Interest Income	Interest Expense	Rent Income	Service Purchases
Operations with related parties						
Anel Elektrik Proje Taahhüt ve Tic.	2.423.534	2.807	879	-	-	173.722
Anelisis Mühendislik Sanayi ve Anelmak Makine ve Elektronik San.	-	-	-	-	-	50
Anel Ar-Ge Dan. San. Ve Tic. A.Ş.	-	-	7.870	8.904	6.207	5.830
Anelnet Teknik Hizmetler Ltd. Şti.	-	-	-	-	-	214.858
Anel Mekanik Tesisat Taahhüt A.Ş.	-	-	-	-	-	-
Köçük Turizm ve Yatçılık Ltd. Şti.	-	-	948	-	-	4.632
Anel Holding A.Ş.	-	-	9.003	-	-	3.281.975
Anelmep Maintenance and Anel Doğa Entegre Geri Dönüşüm	-	9.629	-	-	625.491	7.107
Anel Electrical Contracting and	-	-	2.771.890	-	-	23.424
Total	2.423.534	12.436	2.790.590	8.904	631.698	2.363.101

ANEL ELEKTRİK PROJE TAAHHÜT VE TİCARET A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

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

37. RELATED PARTY DISCLOSURES (continued)

	01.01.-31.12.2011					
	Good Purchases	Good Sales	Interest Income	Interest Expense	Rent Income	Service Purchases
Operations with related parties						
Anel Telekomünikasyon Elektrik	45.077	500.412	-	-	-	901.534
Sistemleri san. ve Tic. A.Ş.	89.150	43.152	-	-	-	1.782.991
Anelisis Mühendislik Sanayi ve Anelmak Makine ve Elektronik San.	-	261	-	-	-	872
Anel Ar-Ge Dan. San. Ve Tic. A.Ş.	-	10.793	-	-	-	35.977
Plastikkart Akıllı Kart İletişim Çelikel Vakfı	-	1.113	-	-	-	18.792
Anelnet Teknik Hizmetler Ltd. Şti.	-	186.009	-	-	62.003	52.500
Anel Holdin A.Ş.	-	17.595	-	-	-	725.685
Doğa Çevre Teknolojileri E-sistem Elektronik San. ve Tic.A.Ş.	-	18.233	-	-	-	730.249
Aneltes Elektronik Üretim ve	-	-	-	-	-	60.775
Other	-	214.096	-	-	-	2.101
Total	134.226	998.815	-	-	62.003	3.329.382

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

38. QUALITIES AND LEVEL OF RISKS FROM FINANCIAL INSTRUMENTS (continued)

b) Financial Risk Factors(continued)

b.1) Credit Risk (continued)

Exposure to credit risk in consideration of financial instruments:

Prior Period	Receivables				Cash and cash equivalents			Financial Investments
	Trade Receivables		Other Receivables		Time	Cheques	Financial Investments	
	Related Parties	3rd Parties	Related Parties	3rd Parties				
The maximum amount of exposure to credit risk at the end of the reporting period (A+B+C+D+E) (1)	12.048.851	114.433.876	5.862.034	5.994.653	63.836.836	22.049.383	374.762	
- Total receivable that have been secured with collaterals, other credit enhancements etc.	-	-	-	-	-	-	-	
A. Financial assets that are neither past due nor impaired (2)	12.048.851	114.433.876	5.862.034	5.994.653	63.836.836	22.049.383	374.762	
B. The amount of financial assets that would otherwise be past due or impaired whose terms have been renegotiated	-	-	-	-	-	-	-	
C. The amount of financial assets that are past due as at the end of the reporting period but not impaired	-	-	-	-	-	-	-	
- The amount that have been secured with collaterals, other credit enhancements etc.	-	-	-	-	-	-	-	
D. The amount of financial assets that are impaired (*)	-	-	-	-	-	-	-	
- Past due (Gross book value)	-	385.342	-	-	-	-	-	
- The amount of impairment (-)	-	(385.342)	-	(40.389)	-	-	-	
E. Off balance sheet credit risk amount	-	-	-	-	-	-	-	

1) It was not considered collaterals taken which is raising credit reliability when the amounts was determined.

2) All of the trade receivables (31 December, 2011 : all) are receivables from clients. The Group management predicted that It would not be encountered any problem regarding Collection of Receivables because of considering their past experiences

**ANEL ELEKTRİK PROJE TAAHHÜT VE TİCARET A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31
DECEMBER 2012**

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

38. QUALITIES AND LEVEL OF RISKS FROM FINANCIAL INSTRUMENTS (continued)

b) Financial Risk Factors(continued)

b.1) Credit Risk (continued)

Past Due and Overdue Receivables:

31.12.2012	Receivables	
	Trade Receivables	Other Receivables
Overdue Between 1-30 days	-	-
Overdue Between 1-3 months	-	-
Overdue Between 3-12 months	4.069.115	-
Overdue Between 1-5 years	385.342	-
Overdue over 5 years	-	-
Overdue Receivables secured with collaterals	-	-
31.12.2011	Receivables	
	Trade Receivables	Other Receivables
Overdue Between 1-30 days	-	-
Overdue Between 1-3 months	-	-
Overdue Between 3-12 months	-	-
Overdue Between 1-5 years	385.342	-
Overdue over 5 years	-	-
Overdue Receivables secured with collaterals	-	-

ANEL ELEKTRİK PROJE TAAHHÜT VE TİCARET A.Ş.AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31
DECEMBER 2012

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

38. QUALITIES AND LEVEL OF RISKS FROM FINANCIAL INSTRUMENTS (continued)

b) Financial Risk Factors(continued)

b.2) Liquidity Risk Management

Liquidity risk is that an entity will be unable to meet its net funding requirements. The Group's objective is to maintain a balance between current assets and liabilities through close monitoring of payment plans and cash projections. The Group manages short, medium and long term funding and liquidity management requirements by maintaining adequate reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows and matching the maturity profile of financial assets and liabilities. The table below summarizes the maturity profile of the Group's financial liabilities based on contractual payments. The Group does not have any derivative liabilities.

31.12.2012

Terms According to Agreements	Book Value	According to the Contracts	Up to 3 months (I)	3 to 12 months (II)	1 to 5 years (III)	Over 5 years (IV)
		Total Cash Outflows				
Non-derivative financial liabilities	208.639.218	208.639.218	98.049.690	24.225.243	86.364.285	-
Bank Loans	120.698.702	120.698.702	10.431.592	23.969.355	86.297.755	-
Leases	401.519	401.519	79.101	255.888	66.530	-
Trade Payables	61.662.706	61.662.706	61.662.706	-	-	-
Other Payables	25.876.291	25.876.291	25.876.291	-	-	-

31.12.2011

Terms According to Agreements	Book Value	According to the Contracts	Up to 3 months (I)	3 to 12 months (II)	1 to 5 years (III)	Over 5 years (IV)
		Total Cash Outflows (=I+II+III+IV)				
Non-derivative financial liabilities	159.624.611	159.624.611	70.610.155	28.018.598	79.817.061	-
Bank Loans	97.217.985	97.217.985	8.352.343	9.049.006	79.816.636	-
Leases	726	726	71	230	425	-
Factoring Payables	-	-	-	18.969.214	-	-
Trade Payables	53.093.284	53.093.284	53.015.051	78	-	-
Other Payables	9.312.616	9.312.616	9.242.690	70	-	-

ANEL ELEKTRİK PROJE TAAHHÜT VE TİCARET A.Ş.AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31
DECEMBER 2012

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

38. QUALITIES AND LEVEL OF RISKS FROM FINANCIAL INSTRUMENTS (continued)

b) Financial Risk Factors(continued)

b.3) Market Risk Management

The market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

The group is subject to foreign currency risk because of international purchasing and FX denominated loans. That risk is tried to minimise by setting the sale price in terms of FX as in last year.

b.3.1) Foreign Exchange Risk Management

Foreign currency transactions expose the Group to foreign currency risk. These risks are monitored and limited by the analysis of foreign currency position.

31.12.2012

	Current Period			
	TRY Equivalent	USD	EUR	GBP
1. Trade Receivables	24.949.990	5.107.672	6.737.702	-
2a. Monetary Financial Assets	1.497.726	133.988	535.306	-
2b. Non-Monetary Financial Assets	3.938.784	1.812.955	300.638	-
3. Other	-	-	-	-
4. Current Assets (1+2+3)	30.386.500	7.054.615	7.573.646	-
5. Trade Receivables	712.022	-	302.769	-
6. Other	-	-	-	-
7. Non-Current Assets (5+6)	712.022	-	302.769	-
8. Total Assets (4+7)	31.098.522	7.054.615	7.876.415	-
9. Trade Payables	1.318.911	733.592	4.767	106
10. Financial Liabilities	28.895.758	1.413.242	11.215.934	-
11a. Other Monetary Financial Liabilities	-	-	-	-
11b. Other Non-Monetary Financial Liabilities	19.058.301	200	8.103.901	-
12. Other Non-Monetary Financial Liabilities	(32.922.859)	2.147.034	(15.521.314)	106
13. Financial Liabilities	81.665.261	2.970.868	32.474.121	-
14. Non-Monetary Other Liabilities	-	-	-	-
15. Noncurrent Liabilities (13+14)	81.665.261	2.970.868	32.474.121	-
16. Total Liabilities (12+15)	48.742.402	5.117.902	16.952.808	106
17. Net Foreign Currency asset/(liability) position (8-16)	29.117.029	1.936.713	10.853.504	(106)
18. Net Foreign Currency asset/(liability) position of the monetary items	7.437.553	123.958	3.050.240	(106)

ANEL ELEKTRİK PROJE TAAHHÜT VE TİCARET A.Ş.AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31
DECEMBER 2012

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

38. QUALITIES AND LEVEL OF RISKS FROM FINANCIAL INSTRUMENTS (continued)

b) Financial Risk Factors(continued)

b.3) Market Risk Factors(continued)

b.3.1) Foreign Currency Risk(continued)

31.12.2011

	FOREIGN CURRENCY POSITION		
	TRY Equivalent	Prior Period	
		USD	USD
1. Trade Receivables	22.921.304	691.093	8.845.199
2a. Monetary Financial Assets	62.836.972	29.980.176	2.540.068
2b. Non-Monetary Financial Assets	13.647.015	304.648	5.348.869
3. Other	-	-	-
4. Current Assets (1+2+3)	99.405.291	30.975.917	16.734.136
5. Trade Receivables	-	-	-
6. Other	-	-	-
7. Non-Current Assets (5+6)	-	-	-
8. Total Assets (4+7)	99.405.291	30.975.918	16.734.135
9. Trade Payables	3.872.146	1.027.754	790.090
10. Financial Liabilities	59.142.821	11.666.000	15.184.104
11a. Other Monetary Financial Liabilities	-	-	-
11b. Other Non-Monetary Financial Liabilities	73.550.162	22.176.933	12.955.297
12. Current Liabilities (9+10+11)	136.565.129	34.870.687	28.929.490
13. Financial Liabilities	78.560.844	-	32.147.002
14. Non-Monetary Other Liabilities	-	-	-
15. Noncurrent Liabilities (13+14)	78.560.844	-	32.147.002
16. Total Liabilities (12+15)	215.125.973	34.870.687	61.076.492
17. Net Foreign Currency asset/(liability) position (8-16)	(115.720.681)	(3.894.769)	(44.342.357)
18. Net Foreign Currency asset/(liability) position of the monetary items	(55.817.534)	17.977.516	(36.735.929)

ANEL ELEKTRİK PROJE TAAHHÜT VE TİCARET A.Ş.AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31
DECEMBER 2012

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

38. QUALITIES AND LEVEL OF RISKS FROM FINANCIAL INSTRUMENTS (continued)

b) Financial Risk Factors(continued)

b.3) Market Risk Factors(continued)

b.3.1) Foreign Currency Risk(continued)

The Company is exposed to foreign exchange risk arising primarily with respect to transactions denominated in USD, Euro.

The following table details the Company's sensitivity to a 10% increase and decrease in the TL against USD, Euro. 10% is used in the reporting of currency risk to the key management and it represents the management's expectation on the potential exchange rate fluctuations. Sensitivity analysis can only made on the year-end outstanding foreign currency denominated monetary items and it shows the year-end effects of the 10% of exchange currency fluctuation on the related items.

31.12.2012

Sensitivity to Foreign Currency				
	Current Period			
	Profit/(Loss)		Equity Capital	
	Foreign Currency	Foreign Currency	Foreign Currency	Foreign Currency
In case of %10 change in USD against TRY:				
1- US Dollar net assets/liabilities	345.238	(345.238)	-	-
2- The amount of USD Hedging (-)	-	-	-	-
3- US Dollar Net Effect (1+2)	345.238	(345.238)	-	-
In case of %10 change in EUR against TRY:				
4- Euro net asset/liabilities	2.552.419	(2.552.419)	-	-
5- The amount of EUR Hedging (-)	-	-	-	-
6- Euro Net Effect (4+5)	2.552.419	(2.552.419)	-	-
Changes by 10% against other currencies:				
TOTAL (3+6)	2.897.658	(2.897.658)		

31.12.2011

Sensitivity to Foreign Currency				
	Prior Period			
	Profit/(Loss)		Equity Capital	
	Appreciation of Foreign Currency	Devaluation of Foreign Currency	Appreciation of Foreign Currency	Devaluation of Foreign Currency
In case of %10 change in USD against TRY:				
1- US Dollar net assets/liabilities	(735.683)	735.683	-	-
2- The amount of USD Hedging (-)	-	-	-	-
3- US Dollar Net Effect (1+2)	(735.683)	735.683	-	-
In case of %10 change in EUR against TRY:				
4- Euro net asset/liabilities	(10.836.385)	10.836.385	-	-
5- The amount of EUR Hedging (-)	-	-	-	-
6- Euro Net Effect (4+5)	(10.836.385)	10.836.385	-	-
TOTAL(3+6)	(11.572.068)	11.572.068	-	-

The Group's activities through the use of derivative financial instruments does not hedge foreign currency denominated liabilities.

ANEL ELEKTRİK PROJE TAAHHÜT VE TİCARET A.Ş.AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31
DECEMBER 2012

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

38. QUALITIES AND LEVEL OF RISKS FROM FINANCIAL INSTRUMENTS (continued)

b) Financial Risk Factors(continued)

b.3) Market Risk Management (continued)

b.3.2) Interest Rate Risk Management

The Company should handle the risk of interest rate occurred as a result of the variations in the prices of financial instruments being affected by the changes in the market interest rates.

Company's interest position table as of 31.12.2012 and 31.12.2011 as follows :

Interest Rate Risk		
	Current Period	Prior Period
Financial Instrument with fixed rate		
Fair Value	-	152.740
Financial Assets	1.226.279	37.340.444
Financial Liabilities	121.100.221	89.638.147
Financial Instrument with variable rate		
Financial Assets	-	-
Financial Liabilities	-	40.754.186

Considering the renewal of existing positions and alternative financing by the Group for bank loans with floating interest rates created a variety of scenarios. According to these scenarios: The Group has no financial liabilities with variable interest rates and term deposits have an average maturity of 15 days is not exposed to interest rate risk. Since the average maturity of time deposits of the Group is just 18 days, the Group is not exposure to Interest rate risk arising from Time Deposits.

b.3.3) Price Risk

There isnt any price risk because of company hasn't got any selling-purchasing puposeful equities on balace sheet. (31.12.2011: None).

ANEL ELEKTRİK PROJE TAAHHÜT VE TİCARET A.Ş.AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

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

39. FINANCIAL INSTRUMENTS (FAIR VALUE OF FINANCIAL RISK MANAGEMENT DISCLOSURES)

	The fair value of the financial assets	Loans and Receivables	Other financial liabilities are measured at amortized cost shown	Book value	Note
31 December 2012					
Financial Assets					
Cash and Cash Equivalents	-	16.334.806	-	16.334.806	6
Trade Receivables	-	113.998.269	-	113.998.269	10
Financial Investments	-	-	-	46.296	7
Financial Liabilities					
Financial Liabilities	-	-	121.100.221	121.100.221	8
Trade Payables	-	-	61.662.706	61.662.706	10
Other Financial Liabilities	-	-	4.224.065	4.224.065	35
31 December 2011					
Financial Assets					
Cash and Cash Equivalents	-	87.175.966	-	87.175.966	6
Trade Receivables	-	126.482.727	-	126.482.727	10
Financial Investments	152.740	-	-	222.022	7
Financial Liabilities					
Financial Liabilities	-	-	130.392.333	130.392.333	8
Trade Payables	-	-	53.093.284	53.093.284	10
Other Financial Liabilities	-	-	3.963.733	3.963.733	35

Group management, the carrying values of financial instruments reflect their fair values.

ANEL ELEKTRİK PROJE TAAHHÜT VE TİCARET A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31
DECEMBER 2012

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

39. FINANCIAL INSTRUMENTS (FAIR VALUE OF FINANCIAL RISK MANAGEMENT DISCLOSURES) (continued)

Financial Instrument fair values determine as follows;

- First Level: Financial Instruments valuated with market values of the similar instruments which traded on active market.
- Second Level: Financial Instruments valuated with data uses to find price which observable directly or indirectly on the market in addition to first level.
- Third Level: Financial Instruments valuated with data which not based on data uses to find fair value of the instruments on the market.

Financial Assets	<u>31.12.2012</u>	<u>The level of the fair value at the reporting date</u>		
		First level (TRY)	Second level (TRY)	Third Level (TRY)
Available-for-sale financial assets				
-Shares	-	-	-	46.296

Financial Assets	<u>31.12.2011</u>	<u>The level of the fair value at the reporting date</u>		
		First level (TRY)	Second level (TRY)	Third Level (TRY)
Available-for-sale financial assets				
-Shares	-	152.740	-	222.022

40. POST BALANCE SHEET EVENTS

None.(31.12.2011: None.)

41. DISCLOSURE OF OTHER MATTERS

None.(31.12.2011: None.)

