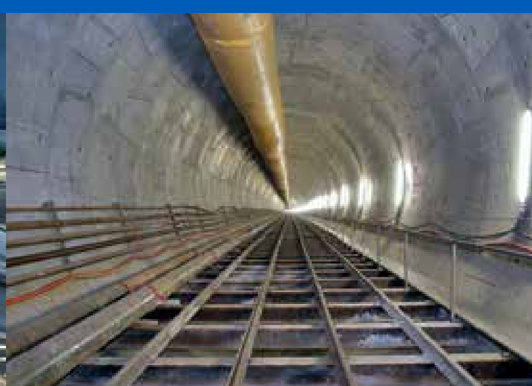
ANNUAL REPORT 2013


AnelGroup

CONTENTS

ANEL ELEKTRİK

Founded in 1986 as an electricity contractor, Anel Elektrik is carrying out its business activities in four main segments namely contracting, energy, real estate and electronics, in 12 countries on 3 continents through its subsidiaries and affiliates.

The foundation 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, electricity and electronics production, recycling, research & development, corporate information technologies and the defense industry.

With its nine subsidiaries, six affiliates and three overseas branch offices, Anel Elektrik is Turkey's leading electromechanical contracting company having carried out several domestic and international projects. As the flagship of the Anel Group, one of Turkey's pioneering engineering and technology conglomerates, Anel Elektrik went public on June 16, 2010 and began to be traded on the Borsa Istanbul (BIST) under ticker symbol "ANELE". 50.58% of the Company's capital of TL 110,000,000 is offered to public.

Shareholder Structure

Name Surname/Title	Share Amount (TL)	Share Ratio (%)
Rıdvan Çelikel	47,142,089.02	42.86
Avniye Mukaddes Akay	5,677,038.58	5.16
Other	1,547,395.48	1.40
Free Float	55,663,476.93	50.58
Total	**110,000,000**	**100.00**

With its upper limit of the registered capital amounting to TL 200,000,000, Anel Elektrik is active in four main segments namely contracting, energy, real estate and electronics, in 12 countries on 3 continents through its subsidiaries and affiliates.

AFFILIATES

Anel Elektrik is a leading electromechanical contracting company that undertakes both domestic and international projects with its network of nine subsidiaries, six affiliates, and three international branches.

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	97.0
Anel Yapı Gayrimenkul A.Ş.	Turkey	2007	Real Estate Purchase and Sale	54.62
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	26.59
Energiina 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 Llc.	Russia	2011	Electrical contracting	90.0
Anelmep 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	100.0
Anel Ukraine Ltd.	Ukraine	2008	Electrical Contracting	100.0

Branches	Country	Year Established	Segment
Doha	Qatar	2006	Electromechanical Contracting
Baku	Azerbaijan	2011	Electromechanical Contracting
Georgia	Georgia	2006	Electromechanical Contracting

Şanlıurfa Hilton Garden Inn Hotel

İstanbul Atatürk Airport

Serhat Köy/Cyprus

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.

Anel Mekanik 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 BIST 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.

GOALS

We offer reliable and creative engineering solutions and electromechanical contracting services provided for large scale and technically challenging projects 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.

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.

By offering very reliable and top quality services to our customers, Anel Elektrik aims to become the most preferred electromechanical contracting company, maintain its lean and key position by establishing sustainable relations with its material and service providers based on trust, mutual benefits and attain project sustainability through efficient risk and cost management.

CONTRACTING

Backed up with successful business partnerships with prime contractors including Bechtel, TAISEI, Hyundai and TAV, Anel Elektrik is carrying out its contracting activities in Turkey as well as in Russia, Azerbaijan, Saudi Arabia, Qatar and the United Arab Emirates.

9

Number of airports completed in 12 years

US$ 530 million

Total amount of backlog works in the contracting segment

27 years

Experience in electrical and mechanical works

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.

Complementary electrics and mechanical contracting services
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 enterprise bolsters the Company's success and competitive edge in competitive bidding processes.

Nine airports in 12 years
Confirming its strength by completing nine airports in 12 years and conducting six airport projects simultaneously, Anel Elektrik today, has become a known brand both in Turkey and internationally.

Anel's achievements include prestigious hotel and headquarter projects requiring expertise such as New Doha, Tbilisi, Batumi, Cairo International Airports and Qatar Convention Center abroad, 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 centers; Forum Istanbul Shopping Mall, and Four Seasons Bosphorus Hotel in Turkey.

Major project contracts
In 2013, Anel Elektrik signed a Letter of Award for a total amount of US$ 257 million regarding the Abu Dhabi Airport project, followed by a contract for the Istanbul Tuzla Trade Center Project with Koray İnşaat for a total amount of US$ 55.75 million. Additionally, it signed a contract valued at US$ 27.5 million for Qatar Research Development Complex Project, a contract for additional works of the New Doha International Airport for a total amount of US$ 8.6 million and finally the contract for the electrical and mechanical works of the Baku Olympiad Stadium for a total amount of US$ 102.6 million. Accordingly, the Company's total size of ongoing and new projects in contracting segment reached US$ 1.16 billion as of end 2013 while the total amount of backlog in the same period reached US$ 530 million.

Successful business partnerships
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

AnelEnerji was established for the purpose of converting solar energy, an environmental-friendly, reliable and sustainable resource, into electrical energy.

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 sources.

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. In additional to its work at industrial installations, the company also creates solutions for roof installations in private homes.

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

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.

Offered to the public in 2005, the Company is traded at the Borsa Istanbul (BIST) under the ticker symbol "ANELT".

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 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.

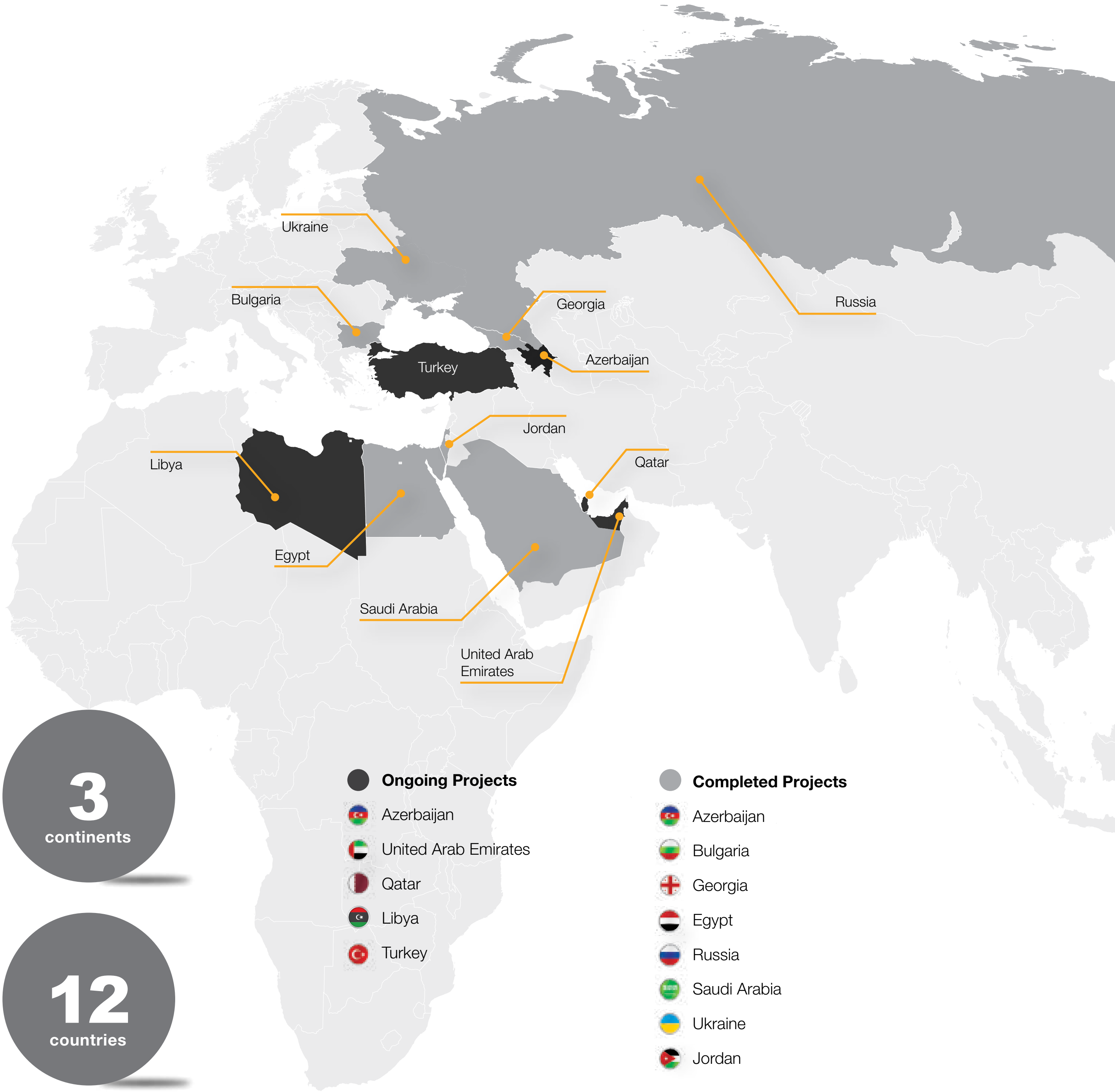
Anel Yapı continues to carry out the management of the 19-story Anel Business Center which has a leasable area of 22,566 m^2 and a parking lot for 450 vehicles.

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

Where do we work?

OPERATIONAL MAP

Fortifying its presence in the regions it operates through international business partnerships and continuing to expand the geographical regions of operation, Anel Elektrik is carrying on its business activities on 3 continents and in 12 countries.



3 continents

12 countries

Ongoing Projects
- Azerbaijan
- United Arab Emirates
- Qatar
- Libya
- Turkey

Completed Projects
- Azerbaijan
- Bulgaria
- Georgia
- Egypt
- Russia
- Saudi Arabia
- Ukraine
- Jordan

What have we done so far?

MILESTONES

İstanbul Atatürk Airport (1999)

Ford Otosan (2000)

1980

1986
Anel Elektrik Proje ve Taahhüt A.Ş. is established.

First Project: Darlık Dam

1988
First Industrial Plant: KAV Factory

1990

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 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

2000
Ford Automotive Factory, Gölcük

(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 Batumi/Georgia and Tbilisi International Airports were added to the international airport projects undertaken abroad.)

An initial public offering is held for AnelTech.

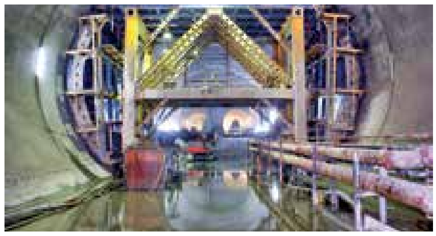
2006
Milgem Project: The electrical work on the Milgem Project for the first corvette class warship built by the Turkish Navy exclusively with its own resources.

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.)

New Doha International Airport (2007)

Bulgaria Dimitrovgrad (2011)



Marmaray Project (2011)

2010

2013

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)*

2009
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).*

Tripoli Airports *(The Project has been stopped.)*

Galeri 5 Opens: Supporting the Arts and Young Artists

2010
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
BP Headquarters-Baku

Ford Otosan Factory-Kocaeli/Turkey

Marriott Hotel-Sochi/Russia

St. Regis Hotel-Istanbul/Turkey

New Doha International Airports-New area and additional work-Qatar

Maslak 42 Business and Shopping Center-Istanbul/Turkey

Garanti Bank Technology Campus

Abu Dhabi International Airports Project

Qatar Research and Development Center

Tuzla Trade Center

Baku Olympic Stadium
(The 1st European Olympic Games will be held.)

Mashreq Bank Loan
(Non-cash loan for Abu Dhabi International Airports Projects)

AGREEMENTS SIGNED

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.

US$
257
million

International Abu Dhabi Airport

US$
396
million

Total value of international signed agreements

Project	Prime Contractor	Country	Project Amount (US$)
International Abu Dhabi Airport-New Terminal Building	TAV-CCC-ArabTec	UAE	257,000,000
New Doha International Airport CP99 Project	SixConstruct-Midmac JV	Qatar	8,600,000
Qatar R&D Center	REDCO Construction - AL MANA	Qatar	27,500,000
Baku Olympic Stadium	Tekfen	Azerbaijan	102,600,000
International Total (US$)			**395,700,000**
Tuzla Business Center - İŞ REIT	Koray İnşaat	Turkey	55,750,120
Domestic Total (US$)			**55,750,120**
Total (US$)			**451,450,120**

AWARDS

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

"Award for Respect to People" by Kariyer.net
Popular among job seekers owing to its strong position in the segments it operates in, Anel Elektrik has regularly responded in a timely manner to the vast number of job applications it received via Kariyer.net and therefore was granted the "Award for Respect to People" in 2013, as it was in 2012.

Award for the Fastest Growing Company in the Sector by Yenibiris.com
Having increased the employment opportunities in line with new projects taken, Anel Elektrik was granted the "Award for the Fastest Growing Company in the Sector" by Yenibiris.com.

Certificate of Achievement
For the Abu Dhabi Airport Project, Anel Elektrik was granted two separate "Certificates of Achievement" in September and October 2013, respectively, by the prime Contractor TCAJV in field of Occupational Health and Safety.

MESSAGE FROM THE CHAIRMAN

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.

US$
1.16
billion

Total volume of international contracts

US$
530
million

Total amount of backlog works

In the first half of 2013, Turkey successfully implemented its objective of balanced growth, yet was adversely affected from political developments both in Turkey and the nearby geographical region as well as the global economic trends as from the third quarter of the year.

Year 2013 was a year when the EU regained positive growth outlook and the developed economies began to follow clearly a moderate course after a long break. On the other hand, the performance exhibited last year by the developing countries before the surrounding risks raised a question mark in minds.

As a consequence of the consecutive upgrades by the credit rating agencies in the recent past, paying-off the debt owed to the IMF and the decrease in unemployment, Turkey has become an attractive country when the world economy experienced difficulties. On the other hand, due to issues like adverse events in domestic and foreign political business cycles and the high current deficit, the structural fragility of the Turkish economy that showed a good performance in the first half of 2013 became more apparent. In addition, the statements by the US Central Bank (FED) on the abandonment of its monetary expansion policy resulted in noticeable outflow of foreign capital and a significant depreciation in Turkish lira and the domestic markets while leading to impairment of the company's growth outlook in the least.

For Anel Elektrik, the year 2013 was a year when the infrastructure investments were carried out without slowing down.

Relentlessly carrying on its studies to improve the level of services and its competitive capacity, the Company took considerable steps in 2013 to strengthen its central management and improve the field coordination. To this end, the Company accomplished to set up the reliable, easily accessible and integrated technological substructure by including the projects implemented in countries it operates into the Central Management Software (SAP) and to enhance information security and efficiency.

The SAP infrastructure employed enables the Company to improve profitability, efficiency, traceability, corporate integrity and synergy, minimizing the potential faults and risks and to expedite the decision making process. Having internalized team work as the most important competitive edge since its inception, Anel Elektrik head office supports all subsidiaries acting in different regions to produce rapid and applicable solutions owing to steadily improved SAP and information technology systems.

In 2013, Anel Elektrik launched new projects besides the ongoing projects both in Turkey and abroad and attained substantial results in all fields of activity.

Having grown to an international brand in the contracting business, Anel Elektrik entered into new markets in 2013. The Company extended its portfolio with the Abu Dhabi

International Airport, Qatar Research & Development Complex and Baku Olympiad Stadium and increased the total volume of international contracts up to US$ 1,16 billion. The Company particularly considers the 68,000 person capacity Baku Olympiad Stadium as a reference project especially important with a view to the FIFA World Cup to be held in Russia and Qatar in 2018 and 2022, respectively.

Being one of the world's leading electromechanical companies, Anel Elektrik managed to realize key aspects of ongoing domestic projects as well and assumed important responsibilities in large-scale investments. Marmaray, one of the most important transportation projects in the world, became operational on October 29, 2013, which was recorded as one of the most extraordinary and significant days in the Company's history. Additionally, the Company has become the subcontractor for the electrical and mechanical works of the Tuzla Trade Center as per the contract for an approximate value of US$ 60 million signed with Koray İnşaat; the volume of domestic contracts reached a total of US$ 187 million at the end of 2013. Anel Elektrik will maintain its efforts in the next period adhering to its goal to increase the share of domestic activities within its total operations.

The Company prefers to realize its growth strategies in other fields through long-term investments. AnelEnerji, an affiliate operating in the field of energy, continued its community- and environmental-minded projects in 2013. The Company carries out the necessary preparatory works to introduce sustainable and renewable energy sources, such as solar energy, to the national economy besides the power plants abroad for which it offers maintenance and operational services.

One of the events that marked last year was the awards the Company received due to the value it places on its employees. The "Award for Respect to People" by Kariyer.net, the "Award for the Fastest Growing Company in the Sector" by Yenibiris.com and two separate "Certificates of Accomplishment" in Occupational Health and Safety granted by TCAJV, the prime contractor for the Abu Dhabi International Airport were received as a result of the Company's investments in its employees, the greatest asset of the Company.

Acting as a responsible corporate citizen, Anel Elektrik creates added value for society.

With its corporate responsibility projects, Anel Elektrik gives support to education and arts. As of end 2013, the number of successful students who enjoy scholarship opportunities offered by Çelikel Educational Foundation exceeded 90. Exhibitions organized throughout the year at Galeri 5, the art gallery located in Anel Business Center, contribute to the development of artistic activities in Turkey.

Anel Elektrik will maintain its growth in a sustainable way in the next year as well.

In 2014, Anel Elektrik will continue to keep significant projects both in Turkey and the rest of the world, particularly the Middle East, in its portfolio. Within this context, Anel Elektrik aims to participate in airport, nuclear power plant, retail, hotel, subway, railway and other major projects, either ongoing or planned, in Turkey and abroad and to continue its pioneering works in the sector.

Support by our esteemed shareholders and diligence of our employees will continue to be the driving force for us also in 2014. I would like to take this opportunity to extend my gratitude to our shareholders, employees and all our business partners.

Rıdvan Çelikel
Chairman of the Board

BOARD OF DIRECTORS

Rıdvan ÇELİKEL (1)
Chairman of the Board

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

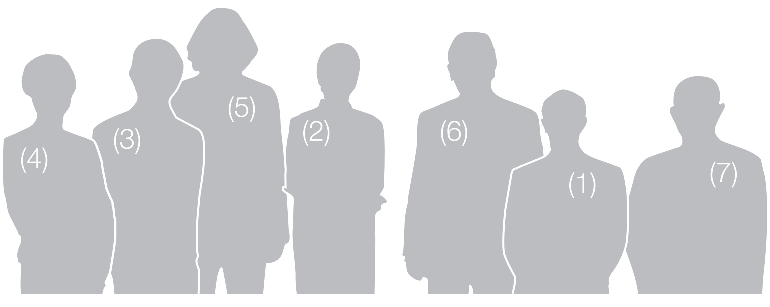
Mahir Kerem ÇELİKEL (3)
Member of the Board

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


(4)
(3)
(5)
(2)
(6)
(1)
(7)

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 AKAY (2)
Vice-Chairman of the Board
A graduate of the Chemical Engineering Department of Istanbul University, Avniye Mukaddes Akay 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.

Ahmet Bülent BATUKAN (5)
Member of the Board
A 1976 graduate of 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. Ahmet 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 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 Chemicals), 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.

COMMITTEES

The Audit, Corporate Governance, Early Risk Identification Committees and Nomination and Remuneration Committees reporting to the Corporate Governance Committee continued their activities in 2013. The outline of the Committees' operations and working principles are disclosed to the public in the Investor Relations (Anel Elektrik A.Ş.) section on the Company's website. According to the composition of the existing Board of Directors, Prof. Dr. Ahmet Münir Ekonomi, an Independent Board Member, serves as chair for all committees while Cahit Düzel, the other Independent Board Member, serves as member of committees. Members of committees are as given below:

Corporate Governance Committee

Prof. Dr. Ahmet Münir Ekonomi
Chairman, Independent Member

Cahit Düzel
Member, Independent Member

Ahmet Bülent Batukan
Member, Executive Member

Audit Committee

Prof. Dr. Ahmet Münir Ekonomi
Chairman, Independent Member

Cahit Düzel
Member, Independent Member

Early Risk Identification Committee

Prof. Dr. Ahmet Münir Ekonomi
Chairman, Independent Member

Cahit Düzel
Member, Independent Member

The Committees meet as frequently as required by the Corporate Governance Principles. In 2013, the Audit Committee met five times, the Early Risk Identification Committee once and the Corporate Governance Committee three times. The minutes of committee meetings are presented to the Company's Board of Directors.

From management

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. Joining 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 Kerimak 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 Kerimak 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 Kerimak 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, 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 ŞENYER, Information Technologies Director
After graduating in 1988 from the Yıldız Technical University Department of Electronic and Communications Engineering, Engin Şenyer 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.

Cem ÖZŞEN, Director for Financial Affairs and Finance
Having graduated from Ankara University, Department of Business Administration in 1990, Cem Özşen obtained a master degree from Bentley College, USA in 1997. Between 1990 and 2000, he served at the Prime Ministry Undersecretariat of Treasury as Assistant Expert, Expert and Department Chief, respectively. During 2000 and 2001 he worked at Demirbank as the Treasury Manager, and then at Ziraat Bankası during 2001 and 2010 as Head of Department and Deputy General Manager, respectively. From 2010 to 2013 Özşen served at Akbank as Head of Treasury Department. He joined Anel Group in 2013 and is serving as the Director for Financial Affairs and Finance.

Önder Mutlu BULUT, Investor Relations Manager
Graduated from Yıldız Technical University, Department of Statistics in 2004 and from Anadolu University, Department of Economics in 2007, Önder Mutlu Bulut earned his master degree from Istanbul University, Department of Accounting-Audit in 2011. Between 2004 and 2006, he served at Turkcell Group Companies as Executive and Technology Consultant. Between 2007 and 2013 he worked at Uyum Gıda A.Ş. as Budget Reporting Manager, followed by Manager responsible for Investor Relations Department. Holding the SPF Advanced Level license and Corporate Governance Rating Expertise license, Önder Mutlu Bulut joined the Anel Group family in February 2013 as Investor Relations Manager.

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. Between 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 between 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. Between 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. Between 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 Tender Manager.

Tarık BEKMEZCİ, Domestic Projects Coordinator
After graduating in 1995 from the Yıldız Technical University Department of Electrical Engineering, Mr. Bekmezci 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 career 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 Projects Coordinator.

CONTRACTING **INTERNATIONAL**

With the contracts signed currently, the total volume of the Company's projects abroad amounts to US$ 974 million, while the volume of backlog reached US$ 444 million as of end 2013.

US$
444
million

Total amount of international backlog

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.

Aiming to minimize the country risk by maintaining its dominance within the region and completing projects in financially strong countries, Anel Elektrik achieved a total foreign contract volume of US$ 974.69 million in the contracting segment upon signing the contract for stadium project in Baku and R&D Complex in Qatar. This does not include airport projects, new or additional works. After Qatar, the projects contracted in Russia, Azerbaijan, the UAE and Baku, allowed the company to expand the geographical area it operates in.

Strong Relations

As regards to its projects realized abroad, Anel Elektrik entered into strong relations with world's leading prime contractors, such as Bechtel, TAV, Lindner LLC, Odebrecht, TAISEI , CCC and Hyundai. Thanks to projects undertaken abroad, in Qatar, and then in Russia, Azerbaijan and the United Arab Emirates with extended geographic reach.

Project	Project Cost (US$ million)	Contractor Company	Country	Backlog (US$ million)
Abu Dhabi International Airport-New Terminal Building	264.00	TAV-CCC-ArabTec	UAE	254.09
New Doha International Airport CP18-CP29 Projects	420.80	TAISEI-TAV-SKY Oryx JV	Qatar	3.80
New Doha International Airport CP110 Project	26.42	QIT IMAR Alec Fit Out JV	Qatar	4.79
New Doha International Airport CP99 Project	17.79	Six Construct-Midmac JV	Qatar	5.98
New Doha International Airport CP111 Project	3.59	QIA JV	Qatar	3.21
Mecca Train Station (AnelKSA)	35.50	Saudi Bin Laden	S. Arabia	5.50
Hamad Medical City – Doha	27.90	Hyundai	Qatar	9.72
Marriott Hotel-Sochi	20.67	Koray İnşaat	Russia	2.00
Qatar R&D Center	34.47	REDCO Construction - AL MANA	Qatar	33.27
Baku Olympiad Stadium	102.60	Tekfen	Azerbaijan	102.54
Other International	20.96			19.60
Total International (US$ million)	**974.69**			**444.50**

690
thousand m²
Total construction land of Abu Dhabi International Airport

US$
102.6
million
Total electrical and mechanical works' amount of Baku Olympiad Stadium

US$
24.2
million
Total amount of Qatar Research and Development Complex

PROJECTS UNDERTAKEN IN 2013

Abu Dhabi International Airport
As a result of negotiations held by and between Anel Elektrik and TAV-CCC-ArabTec (TCA) Consortium, the prime contractor of the International Abu Dhabi Airport project, and Abu Dhabi Airports Company PSJC (ADAC), the Letter of Award for total amount of AED 941,700,000 (app. US$ 257 million) was signed appointing Anel Elektrik as subcontractor for all electrical works of the new terminal building and to document the official start of works.

As being a part of the airport designed by Kohn Pedersen Fox Associates (KPF) built on a land of 690 thousand m2, the terminal building will serve 27 million passengers per year with 106 air bridges, a baggage line longer than 22 km and handling capacity of 19,000 pieces of luggage per hour. The anticipated project completion period is 49 months.

Additional works for the New Doha International Airport
According to the contract amounting to 31,408,570.94 Qatari Riyals (app. US$ 8.63 million) signed Anel Elektrik with Six Construct-Midmac JV, prime contractor of the New Doha International Airport project; the Company shall continue to perform additional electrical works as subcontractor, in addition to the ongoing works.

Qatar Research and Development Complex
Following the negotiations held between Anel Elektrik and REDCO Construction-AL MANA, prime contractor of the Research & Development Complex project of the Qatar Foundation, all electrical and mechanical works of the Research & Development Complex was subcontracted to ANEL MEP Maintenance & Operations LLC, one of the Company's affiliates. The revenue to be generated in the first stage of the project will be QAR 100,000,000 (app. US$ 27.5 million).

Baku Olympiad Stadium
Tekfen İnşaat ve Tesisat A.Ş., prime contractor of the ongoing Baku Olympiad Stadium in Baku, Azerbaijan, and the Company signed a contract for a total amount of US$ 102,600,000 to appoint Anel Elektrik as subcontractor for the electrical and mechanical work of the project.

CONTRACTING **INTERNATIONAL**

ONGOING PROJECTS

Mecca Railway Station
AnelKSA, the Company's affiliate located in Saudi Arabia, carried out the electrical and mechanical work of the project that started in 2012 where the Saudi Bin Laden Group is serving as the prime contractor.

Hamad Medical City
The Company continued its work under the project that is presented as the biggest medical complex within the region where Hyundai Engineering and Construction Ltd is serving as the prime contractor.

Marriott Hotel – Sochi
Located in Sochi, Russia where the Winter Olympic Games will be organized, the project started in 2012. The prime contractor of the project is Koray İnşaat and the electromechanical work, subcontracted to AnelITK, a subsidiary of Anel Group operating in Russia, was carried out during the year.

BP Head Office
Linder LLC is serving as prime contractor for the project that started in 2012 in Baku, the capital city of Azerbaijan. Anel Elektrik carried out the electrical and mechanical contracting work during the previous year.

New Doha International Airport
The construction work of the New Doha International Airport, Qatar commenced in 2007 and the Company carried out its work also in 2013 together with additional work subcontracted by various prime contractors, including TAV and TAISEI.

CONTRACTING **DOMESTIC**

As from its inception, Anel Elektrik has undertaken major prestigious domestic and international projects. As a known brand, Anel has been involved in the projects of Istanbul Atatürk, Ankara Esenboğa and Izmir Adnan Menderes, International Airports, the Marmaray Tube Tunnel Project as one of the leading projects in the world, the Operation Centers of Turkcell, the leading GSM operator in Europe and the world, Bayrampaşa Forum, one of the biggest shopping malls in Turkey, Marmara Forum Shopping Malls, Kuyumcukent and Four Seasons Bosphorus Hotel.

With the undertaking of new domestic projects, the strength of the Anel brand and the confidence it gives to the business partners kept on growing incrementally. The Company achieved a local contract volume of around US$ 60 million in the contracting segment during the year and realized a total project volume of US$ 187 million as of end 2013 while total amount of backlog reached US$ 85 million.

PROJECTS UNDERTAKEN IN 2013

Tuzla Trade Center
As per the contract signed with Koray İnşaat, prime contractor for Tuzla Trade Center to be built for the project owner İş Real Estate Investment Trust, Anel Elektrik served as the subcontractor for electrical and mechanical works with total value of US$ 55,750,000.

ONGOING PROJECTS

Marmaray Tube-Tunnel Project
As one of the biggest transportation infrastructure projects in the world executed by the Japanese contractor TAISEI Corporation, this project is 13.5 km long, of which 1,387 meter is sunken tube tunnel and located 56 m below sea level. The Company continued its electrical and mechanical work after the opening ceremony held on October 29, 2013.

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 total area of the project is 44,000 sqm and the electrical and mechanical work under the contract has been completed as scheduled.

The Wyndham Hotel
The electrical and mechanical work for the Wyndham Hotel, built on 67,000 sqm land in Güneşli, Istanbul, was completed during the previous year.

CONTRACTING **DOMESTIC**

ONGOING PROJECTS

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

Kocaeli Ford Otosan Factory
Anel Elektrik is carrying out the electrical work for the Gölcük/Kocaeli Ford Otosan Plant Yeniköy Truck B460 project as the subcontractor of Ark İnşaat Sanayi ve Ticaret A.Ş. pursuant to the contract provisions.

Maslak 42 Business Center & Shopping Mall
Anel Elektrik is carrying out the electrical and mechanical work for the Maslak Business Center and Shopping Mall Project as the subcontractor of Bay İnşaat İthalat ve Ticaret A.Ş. pursuant to the contract provisions.

St. Regis Hotel
Anel and Demsa İç ve Dış Ticaret A.Ş. are continuing with the electrical and mechanical design work of the St Regis Hotel built in Istanbul.

Project	Project Cost (US$ million)	Contractor Company	Region	Backlog (US$ million)
Marmaray Tube-Tunnel Project	73.05	TAISEI	Istanbul	9.28
Tuzla Trade Center - İŞ REIT	55.75	Koray	Istanbul	55.40
Eczacıbaşı Ormanada Residences	10.68	Koray	Istanbul	0.97
Ford Otosan Factory	10.31	ARK İnşaat	Kocaeli	2.28
St. Regis Hotel	4.16	Demsa	Istanbul	2.50
Maslak 42 A Blok	8.93	BAY	Istanbul	6.31
Maslak 42 Business Center & Shopping Mall	4.87	BAY	Istanbul	1.72
Garanti Bank Technology Campus – Basic Electricity Work	1.79	Koray	Istanbul	1.27
Samsun Sheraton Hotel	4.08	Ege Yapı	Samsun	4.08
Other Domestic Projects	13.49			1.63
Total Domestic (US$ million)	**187.09**			**85.43**

ENERGY **INTERNATIONAL**

Countries where solar power plant projects are implemented include Austria (with Kioto PV the commercial partner AnelEnerji) and Bulgaria, Cyprus, Greece and Romania on project basis. AnelEnerji completed the installation of solar power plants in Greece and the TRNC.

5.2
MWP

AnelEnerji's SPP Capacity abroad.

In 2013, Anel continued to provide maintenance and management services for three SPPs. These projects are as listed below:

- Troyanovo 1.5 MWp Solar Power Plant - Bulgaria: 100% Owned by Anel Elektrik
- Dimitrovgrad 2.2 MWp Solar Power Plant - Bulgaria: 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.

In 2014, AnelEnerji will pursue a Turkey-focused strategy and plans to implement the tenders for installation of only high capacity SPP's.

ENERGY **DOMESTIC**

In 2013, AnelEnerji filed its first applications for licensed power generation by totally 13 companies within the bounds of 135 MWp capacity portfolio, obtained administrative approval for all projects and prepared them for license bidding.

Domestic
In 2013 AnelEnerji filed its first applications for licensed power generation by totally 13 companies within the bounds of its 135 MWp capacity portfolio, obtained administrative approval for all projects and made them ready for license bidding.

The applicants for licenses are among the leading holding companies in Turkey who are mainly involved in the renewable energy segment. Following the application, remote monitoring by totally 17 metering stations erected at various locations across Turkey is being carried out.

The year 2013 was a period when market-setting activities in terms of installation of licensed and unlicensed solar systems were realized. The most remarkable activity was the announcement of the regulation and the communiqué about unlicensed power generation by the EMRA, published in the Official Gazette dated October 2, 2013. The regulation on license bidding, constituting the next phase for license applications made in June, was also published in October, indicating that the said bidding would take place during first quarter of 2014. According to a survey announced by the Association of Solar Energy Industrialists (GENSED), there are 17 active solar panel producers in Turkey.

A big opportunity
As regards to classification of unlicensed power generation, real or legal persons are allowed to file SPP application for systems with capacity less than 1 MWp without requiring a license. Additionally, applicants who undertake to be off-grid are able to be involved in unlicensed power generation without any capacity limit. This arrangement constitutes a big opportunity for high energy consuming enterprises (production companies, factories, universities, hospitals and the like) to install power plants and obtain SPP, in a relatively short period of time upon application for unlicensed power generation, without going through any bureaucratic obstacles.

Information about the second license application period to be executed during 2015 is being disclosed. For a substantial portion of the 2000 MW capacity expected to be announced, Anel Enerji plans to carry on its activities for obtaining license and establishment of turnkey plant by creating new portfolios.

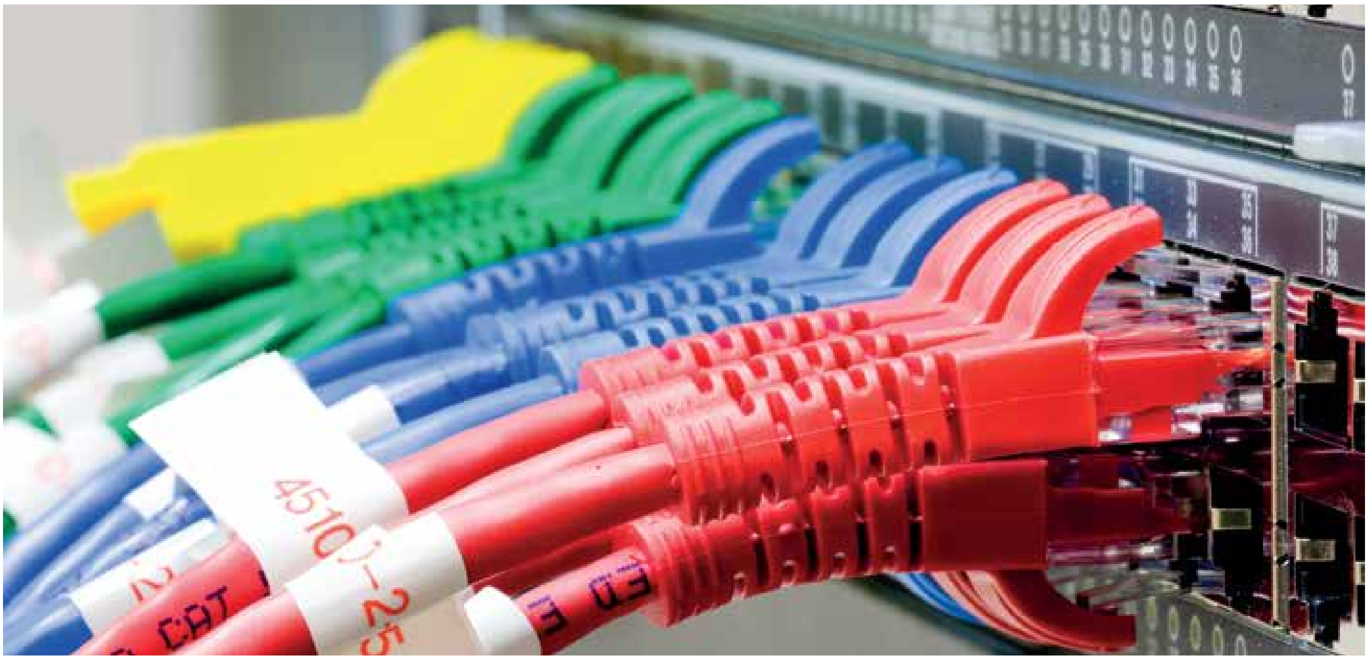
It is observed that especially the medium and small scale installations have come to the forefront concurrently with the initiation of legal process on licensed power generation. Two prominent markets in the PV segment are the domestic installations to be enjoyed by end-users and the medium/large-scale industrial installations. Based on its size and mode of operation (B2B), Anel Elektrik predicted that it will not be able to access end-users by itself and thus assigned solution providers to foster medium-scale usage in various regions.

Backlog
The following projects are of “backlog works” status as of end-2013:

1. Installation 5 MWp SPP at Turgut Özal Medical Centre, Malatya İnönü University, where AnelTelekom A.Ş. is the prime contractor: Upon execution of the contract, this project will be the largest unlicensed installation.
2. Antalya Royal Belek Tatgolf Hotel (first Solar Tree Project in Turkey): total capacity 65 kWp, final approval by TEDAŞ is expected
3. İTÜ ARI 6 Teknokent (Turkey’s first Building-integrated Solar Energy System): total capacity 44 kWp, final approval by TEDAŞ is expected.
4. İzmit Municipality: Final approval by TEDAŞ is expected for the 80 kWp solar PV ground installation and 3 kWp wind power plant installation.

ELECTRONICS **INTERNATIONAL**

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.



Actively maintaining its presence in the Azerbaijani telecommunication market, AnelTech provides site erection, preventive maintenance, microwave radio and telecommunication equipment erection works to various companies in Azerbaijan including Azerfon, BakCell, Alcatel and NSN. Furthermore, the company is capable to serve as subcontractor for infrastructure of low-voltage current and information technologies.

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 2014 as well. Other potential projects include collaboration with Azerbaijan, and with Turkcell Technology in the Middle East.

ELECTRONICS **DOMESTIC**

In 2013, AnelTech operated in the fields of telecommunication, transportation, power distribution, defense industry and renewable energy.

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 2013, AnelTech works with companies such as Cisco, HP and Allied Telesis to provide Turk Telekom customers information technologies infrastructure; this, in addition to installation and maintenance services.

On the other hand, modem sales to TTNET is done in cooperation with companies such as Huawei and Elkotek. The company continues its studies on technical support to be provided under warranty for SIAE IP radio-link systems, sold to Turkish telecom in previous years, while carrying on its marketing activities in order to achieve new sales.

Operations in 2013
Offering broad band data and audio infrastructure services to its corporate customers, different from other operators, AnelTech continued to provide technological infrastructure solutions to both public and private sector companies in 2013. The Company carried out its operations in the fields of telecommunication, transportation, power distribution, defense industry and renewable energy.

Within the scope of the AIS (Automated Identification System) Project of the Ministry of Transportation, Maritime Affairs and Communications, the maintenance and technical support services for the systems already installed are being offered under warranty. Again in this scope, work as regards to sales, mounting and technical support for AIS transponder devices used in sea vehicles of certain size are being carried out.

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. 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 Project was kicked off in March 2013.

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.

In 2013, the Company made a successful bid for the installation of the unlicensed PV power plant at Malatya, being the largest one in Turkey at that date, and initiated the design work. This project is the highest capacity project in the field of unlicensed power generation in Turkey and will constitute a significant reference for Anel Enerji regarding signing contracts for licensed projects.

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.

CONTRIBUTIONS TO THE COMMUNITY

Çelikel Education Foundation, established in 2007 by the Group, aims to develop cooperation between the educational institutions, parents and non-governmental organizations with the purpose to bring up creative, responsible, freethinking young people open to innovations.

Çelikel Education Foundation, established in 2007 by Anel Group, aims to develop cooperation between educational institutions, parents and non-governmental organizations with the purpose to bring up creative, responsible, freethinking young people open to innovations. Identifying the problems and opportunities that young people are facing in the contemporary era jointly with them and generating solutions, the Foundation creates opportunities for personal, social and professional development.

Providing scholarships to successful students experiencing financial difficulties every year, the Foundation aims to improve the level of education in the country through the Scholarship Program, providing much better conditions for more students and increasing the standard of living for the youth. Furthermore, training-development camps, mentorship and internship possibilities are offered to the scholarship students in collaboration with the volunteers.

The social responsibility projects realized by the Group in 2013 are the following;

Social Responsibility Activities in Field of Arts
Anel Group attaches great importance to arts and cultural activities while looking after the significance of art in terms of social life and education. By organizing exhibitions with the participation of both national and international artists of various disciplines throughout the year at Galeri 5, the art gallery located in the hall of Anel Business Center, the Company contributes to the development of artistic activities in Turkey as well as offering the young generation artists the opportunity to show their talents.

Exhibitions organized in 2013 are:
- Mixed Sculpture Exhibition
- Workshop Path III (Students of Devabil Kara Workshop at Marmara University Faculty of Fine Arts)
- Istanbul – A Century Ago – A Century Later (H.Nadir Ede)
- A Glance to the Finnish Textile Art exhibition (Raija Jokinen &Aino Kajaniemi)

Through the project carried out together with the students of Music Department of Marmara University, music recitals are organized at the ground floor of the Anel Business Center three times a week. These performances create source of income for the students while constituting an opportunity for them to demonstrate their talents.

Social Responsibility Activities in Field of Education
Anel Group is conducting its social responsibility projects supporting Çelikel Education Foundation. The main projects implemented by Çelikel Education Foundation are the following:

Fire Balls Scholarship Program
Fire Balls Scholarship Program continued during the 2013-2014 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 has an approach that aims to surround students' lives with the opportunities for personal and social development. 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 live the specialty with magazine subscriptions, museum cards and books, gifted as part of their scholarship packages.

"Youth-friendly High Schools" Project
On August 15, 2013, Çelikel Education Foundation launched the "Youth-friendly High Schools" Project in collaboration with ÇOÇA (Istanbul Bilgi University, Children Studies Division). Ümraniye Anatolian High School, Ataşehir Anatolian High School and Ümraniye 75th year Trade Vocational High School are participating in the project that will be completed in 12 months and is financed by the European Union under the "Grant Program for Democratic Citizenship and Human Rights Training". The Ministry of National Education serves as the program partner. The purpose of the project is to establish a culture at high schools that is sensitive to human rights and gender mainstreaming, to this end to strengthen the youth and parties related with the youth and to bring up the youth who esteem themselves and other people, know and express their rights, respect diversities, and maintain a non-discriminating and non-violent attitude to solve the problems. To this end, workshops for teachers and parents were organized in November and December 2013. At these workshops carried out with participation of ÇOÇA specialists and psychologists it was aimed to

strengthen the parties related with young people. Furthermore, a manual to be used for Human Rights and Democracy Lecture to be given at schools under the project and a leaflet with the purpose to develop the parents' participation in school activities. Teachers who participate in workshops will realize activities with the students for 10 lessons that would help to create awareness on human rights. First implementation at schools has already been initiated.

The first period of the course consisting of 3 workshops for parents is completed. The course on Being Positive and Effective Parents will be re-held in April at 3 schools again with the participation of the psychologists Banu Bülbül and Damla Gürkan. The study aims to find answers to the following questions: "How can we be effective parents?" "Can I balance between discipline and freedom?" "How can I know my child better?" "How can I administer my child so that he/she utilizes technology in a controlled way without being captured?" "How can I cope with stress, anger and conflict at home, with crisis and violence prevailing in society?"

"Peaceful Communication with Youth" Project

Çelikel Education Foundation launched the "Peaceful Communication with Youth" Project at three high schools, supported by the Directorate of National Education. Financed by the Swedish Consulate, the Project aims to ensure a nonviolent environment of communication at home and at school. Believing that this aim can be achieved by facilitating the cooperation between teachers and families, Çelikel Education Foundation implemented the Project for 12 months at Ataşehir Nuri Cıngıllıoğlu High School, 75th Year Republic Trade Vocational High School and Ümraniye Anatolian High School.

As part of the Project on "Cooperation between Teacher and Family for Peaceful Communication with Youth" a six-week free course was provided to families and the competence of teachers was improved to enable them to handle peer violence, domestic violence and similar subjects. The subjects discussed during the Positive Parents Course included nonviolent communication methods, helping the children for learning for his/her sake, setting limits, being aware of the young people's as well as parent's rights.

"Wide Shot in Education Program"

The purpose of the "Wide Shot in Education Program" is to support and enhance all elements of a school (student, teacher, parents) and make them acquire new skills, to establish a model at schools based on a holistic view and make the system widespread. Consisting of information, awareness raising and socialization activities in order to contribute to success and happiness of students, teachers and parents, by supporting their personal, social and professional developments, the "Wide Shot in High Schools Program" was initiated in 2010. The implementation of program is continued at Kavak Rıdvan Çelikel Anatolian High School in its fourth education and training term. The program results, obtained with professional measurement and assessment, indicate that the program makes significant contribution particularly to development of students.

"My Vocational High School is Youth Friendly" Project

Project launched by Çelikel Education Foundation in September 2013 with support from the Matra Fund of the Consulate General of the Netherlands to Istanbul, aims to ensure that young people get the most out of the right to education by supporting the establishment of sensitive environments to human rights and gender mainstreaming at vocational high schools. Under the project to be implemented for 10 months, the teachers' and administrators' awareness on human rights and gender mainstreaming was raised through workshop performances made for them in collaboration with the Human Rights Research Application Center at Istanbul Bilgi University, the project partner, and they were provided with information and skills to give support to young people in this respect. Another aspect of the project was the introduction of human rights and democracy clubs at schools. It is aimed to make young people active in the field through various activities like seminars, visits to non-governmental organizations as well as publishing school newspapers thereby contributing to making responsible citizens out of these students who exercise their rights, have respect for diversity and have adopted democratic values.

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

HUMAN RESOURCES

In line with the new projects contracted to Anel Elektrik, employment opportunities offered by the Company increased in number; accordingly, it was granted the "Award for the Fastest Growing Company in the Sector" by Yenibiris.com.

2,058

Total number of personnel employed at Anel Elektrik and its affiliates

Anel Elektrik is aware that human resources are the most important elements 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.

Creative and efficient HR applications
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.

Talent Management Model
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 2,058 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 16% of the total number. And with the inclusion of technicians and mechanics, qualified employees make up 49% of the total work force.

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

In pursuit of sustainable success, the Company's human resources system and processes are constantly reviewed and structured in line with requirements. Within this scope, the Human Resource Planning Division was established in 2013 and the reporting system containing the follow-up of indirect labor budget of the projects.

In line with the new projects contracted to Anel Elektrik, the employment opportunities offered by the Company increased in number and accordingly it was granted the "Award for the Fastest Growing Company in the Sector" by Yenibiris.com.

Applicants are provided timely and efficient feedbacks even in periods of time when recruitment processes gain speed. Accordingly, the Company was granted the "Award for Respect to People" by Kariyer.net.

INFORMATION TECHNOLOGIES

As from December 2013, Cluster Virtualization Technology (Hyper-V Cluster) was initiated for the infrastructure of the SAP ERP Live System, the Central Management Software. As a result of this application, efficiency in sourcing and business continuity was improved.

SAP

In 2013, Anel Elektrik continued its efforts to optimize the infrastructure and enhance information security and efficiency. It also expanded the infrastructure of the SAP application to cover the United Arab Emirates, Azerbaijan and Russia as a result of its studies in this respect.

Continuing its efforts to optimize the infrastructure and enhance information security and efficiency also in 2013, Anel Elektrik expanded the infrastructure of SAP application to cover the United Arab Emirates, Azerbaijan and Russia as a result of its studies in this respect.

Studies on SAP R/3 adaptation, development and data preparation carried out for the Anel Emirates company, got into active use in March 2013 via FI, CO, MM, SD, CS, PS, FM, HR modules following the studies and training sessions held with the project team. As regards to Baku, Azerbaijan projects where exactly the same modules are used, the country coverage was completed in August 2013 as a result of onsite studies and training sessions.

A Russian language option has been included in the SAP ERP system.

SAP HR Training Management Application
SAP Human Resources Training Management Application got into active use following the adaptation and development studies. This application enables the users to file requests and report such request. Anel Elektrik intends to administer the 2014 training catalogue on the SAP system.

E-Book Transition Project
For the E-Book Transition Project to become active in second quarter of 2014, E-Invoice Verification and preparations to introduce the E-Invoice transition process in the SAP system were completed in November and December 2014, respectively.

Training activities
With the purpose to enhance the competency of field staff on the SAP ERP system, a total of 55 training activities were held under nine different training titles with the participation of 382 personnel.

In the 2014 training catalogue 16 different training programs aiming to improve the awareness of SAP and IT systems were defined. For these training programs, 260 training activities will be held during 2014.

SAP Key User Change Program
Under the SAP Key User Change Program, critical and key personnel were identified in August 2013. In regard to the SAP Module Program, the first trainees received training on Class Training, Trainee's Practical Work, Trainee's Practical Assessment and Trainee's Theoretical Assessment. the SAP Key User Change Program will be maintained also in 2014 with new trainees to be designated under Information Technologies business continuity.

As from December 2013, Cluster Virtualization Technology (Hyper-V Cluster) began to be used for the infrastructure of the SAP ERP Live System, the Central Management Software. As a result of this application, efficiency in sourcing and business continuity was improved.

SAP Business Objects
The infrastructure of the SAP Business Objects (BO) decision support reporting system was completed in 2013 and brought into use for senior management, project coordinators, project manager and planners.

Details of the Articles of Association are compared in the Project Indicative Table that contains graphic displays including but not limited to project cash flow and labor improvement and are reported.

As a result of the studies performed in 2013, basic project data as well as 78 different criteria are periodically filled into data cubes. For each criteria, improvement studies are carried out also in SAP ERP system and it is aimed to increase the number of criteria in 2014.

Information Technologies SAP and Technical Infrastructure Audit
With the "Information Technologies SAP and Technical Infrastructure Audit" made by Deloitte, the compliance of Anel Information Technologies components and processes with international best practices, their shortcomings and risks were evaluated and the

INFORMATION TECHNOLOGIES

improvable aspects were identified. On this matter, IT personnel made remedial/developing studies in last quarter of 2012 and first quarter of 2013. Consequently, most findings that were identified during the SAP and Technical Infrastructure Audit have been fixed and infrastructure compliance at international standards is assured.

Forefront Identity Management
With the Forefront Identity Management (FIM) Project put into active use in March 2013, the users have been provided safe access to all applications brought in Anel Information Technologies infrastructure by using a single password and their access authorization subject to course of approval.

Identity management was taken out of the Anel IT Department's initiative and the Function Director and Human Resources have been also included in the procedure of power of approval. A web interface was introduced to enable the users to change their passwords without getting support and responses given to the record users' questions were protected through encryption in the infrastructure in a manner inaccessible even for the IT technical personnel. Owing to strong SAP integration, this application that provides deletion of a forefront identity in all applications via single field has significantly differed from other identity management projects. Numerous processes including opening e-mail, SAP, Lync account for the user, joining a mailing group, utilizing the printing system and others similar to these are performed robotically. Using the robotic structure, 720 forefront identity creation and authorization operations were realized during 9 months while the powers of 642 users were revoked.

Corporate Communication Platform
Within the scope of the Anel Corporate Communication Portal and Document Management System Project, a renewal process was initiated on the Sharepoint infrastructure of Anel Corporate Communication Platform (Intranet) and with the warmth of the social networking site.

SAP integration studies for the "Training Management", "Leave Management", "Performance Management", "IT Service Notice" and "SAP Debit" that will be added to the portal were completed in 2013.

All operational processes, work flow and business manner, process maps compatible with best standard frames like ISO 27000 and ITIL, check points and escalation mechanisms of the Information Technologies Department are defined and key performance indicators (KPI) are created. Under the Information Safety Policy established within the scope of the project, totally 19 procedures, 25 forms and 8 work flows for main processes of Information Safety Management, Succession Management, Operation Management, Case and Problem Management, Project Management, Change Management and Procurement Management were announced to all users and took effect on November 11, 2013.

The Anel Process Management Application which defines Anel business processes using work flows, relates the processes with each other and describes the performance indicators for each business process was opened to active use on the Information Technologies infrastructure.

Microsoft Lync which is integrated to Anel fixed lines has been upgraded to the 2013 version from the 2012 version. Accordingly, the quality of communication between Anel personnel serving at multiple locations has been improved.

Taking on the management of corporate audio and data lines in 2013, Anel Information Technologies completed the inventory conducts on all fixed and GSM lines used at offices and sites in and outside the country. Line costs are managed along with line limits as its use by respective users is reported in the SAP system.

Future projects
Projects that Anel Information Technologies plan to implement in the coming period are the following:

- A back up copy of the SAP ERP System used at the Anel Business Center will be saved at the Disaster Recovery Center during the first quarter of 2014.
- The management of the server to be backed up at the Internet service provider's data center in Ankara will be realized in accordance with the Anel Information Safety procedures.
- In cases when SAP ERP data become unusable due to natural disasters, flood, fire, terrorist attacks or similar events occurring at the Anel Business Center, business continuity will be assured by the activation of the SAP ERP server.
- With the transfer of all electronic mail accounts to Microsoft Cloud Computing in 2013, the aim is to increase the service level commitment and reduce the operating cost of information technologies. As part of this initiative, all Anel Active Directory (AD) servers will upgraded to version AD 2012 and all e-mail accounts will be moved to Cloud Computing. Direct Access property will be engaged during this process and all Anel users will be administered in compliance with Anel policies.
- Anel Corporate Communication Portal (Intranet) and the Document Management System of which the conceptual design was completed in 2013 will be opened for active use, together with all its applications, in April 2014.
- The transition process dependent on the execution of the SAP adaptation of the transition project for an e-book license, provided by SAP Turkey will be completed in 2014.
- 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

In all stages of its operations, Anel Elektrik meticulously fulfills all requirements with respect to occupational health and safety. Working in accordance with project-specific and general environmental protection and occupational safety requirements for each project is one of the high service standards that the Company sets.

The Company respects all applicable laws and regulations and applies programs and procedures contributing to this principle:

- When setting the quality standards for environment, health and occupational safety, the Company considers the legal requirements as the minimum level and aims to go beyond this level.
- Taking advantage of leading-edge technology, it creates a safe working environment for its personnel and reduces risk to a minimum.
- Contingency plans in case of disasters and appropriate plans for recovery are put in place.
- Measures are taken to prevent the disposal of substances harmful to the environment and human in the nature; thus, minimizing both the quantity and hazard of wastes.
- Consistently utilizes the opportunities for improving Environmental, Health and Occupational Safety policies.
- Informs its personnel, suppliers, customers and investor partners about developments, asks for their contribution towards achieving goals and supports them to attain their respective objectives.
- Measures and improves performance and share it with business associates and investors.

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.

2013 Operations

Operations accomplished for occupational safety and employee health in 2013 are as follows:

- In 2013, risk analysis of all active construction sites were made and reports given to the employer. Whether the occupational health and safety applications defined in the procedures are performed at construction site was controlled through internal audits for occupational safety.
- Weekly picture field inspection reports were issued for all construction sites via the Anel IT system.
- The occupational safety practices of subcontractors in particular were evaluated for all construction sites via the Anel IT system.

OCCUPATIONAL HEALTH AND SAFETY

- Personnel in charge of occupational safety issues have been assigned at all construction sites and the employees, including those of subcontractors, began their works in the filed after completion of necessary job training.
- Risk analyses were carried out on basis of manufacturing items and the employees to perform these works received training on risks defined and measures to be taken against such risks. In cases of changes in manufacturing items, work accident and near-miss events, the risk analyses were revised.
- Emergency action plans were created for all sites and fire and evaluation drills were undertaken. Practical fire prevention training sessions were also organized.
- Certified first aid training was organized for the number of employees as required by the first aid regulations.
- 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 health reports that are renewed annually.

Studies performed at construction sites
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;
- Working at a height has been defined as 1.20 m and above for all construction sites, as accepted by international standards and the necessary measures were taken to ensure safe execution of work.

- All scaffolds used were regularly controlled and red (inappropriate) and green (appropriate) labels were affixed.
- In case of any work accidents or near-miss event, the root-cause analysis was made and reports were issued accordingly. All employees received training on the cause of accidents in order to prevent the reoccurrence of similar accidents.
- Before powering the switchboards, all teams received training on “Occupational Safety for Electric Works and Electrical Accidents” and job leaves were realized for personnel working in electrical rooms.
- A switch locking system was applied during electrical maintenance works and access to electrical switchgear by unauthorized personnel was prevented.
- Infirmaries were established at certain construction sites where recruitment reports and ambulatory care services were provided.

Additionally, in 2013, “Training for Personnel Responsible for Occupational Safety” was offered by Class-A occupational safety specialists to site supervisors and personnel responsible for occupational safety and legal responsibility; 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 generates energy through the solar PV system installed on the roof and terrace of Anel Business Center; its head office.

Giving particular importance to environmental protection when implementing its projects, Anel Elektrik makes all necessary efforts to preserve natural resources and minimize any potential adverse effects to environment. To this end, it strictly respects all applicable relevant 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 applicable laws. The coordination of disposing of hazardous and electrical waste and the recycling of electrical waste are carried out by the AnelDoğa integrated recycling company, an Anel Group enterprise.

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.

FINANCIAL INFORMATION

In 2013, Anel Elektrik increased its sales by 58% over the previous year, up to TL 459,740,937.

Having raised its total contract volume to US$ 1.16 billion with recently signed contracts totaling US$ 450 million, the Company increased its sales in 2013 by 58% over the previous year, up to TL 459,740,937.

Comparison with the prior year shows that the Company enjoyed 17% and 45% growth in gross profit and operating profit, respectively, while realizing profit for the period as TL 1,372,523.

TL
460
million
Total Sales

Summary Income Statement - TL	**2013**	**2012**	**%**
Sales	459,740,937	291,411,121	57.8%
Gross Profit	51,385,010	43,936,027	17.0%
Operating Profit/Loss	25,400,482	17,517,191	45.0%
Net Profit/Loss	1,372,523	15,464 ,877	5.6%
EBITDA	30,779,309	19,385,352	58.8%

Ratios	**2013**	**2012**	**%**
Gross Profit Ratio	11.18%	15.08%	(3.90) pp
Operating Profit/Loss Ratio	5.52%	6.01%	(0.49) pp
Net Profit/Loss Ratio	0.30%	0.01%	0.29 pp
EBITDA Ratio	6.69%	6.65%	0.04 pp
Debt/Shareholders’ Equity	1.95%	1.30%	0.65 pp

Summary Balance Sheet – TL	**01.01.2013 31.12.2013**	**01.01.2012 31.12.2012**
Current Assets	533,015,318	344,796,863
Non-current Assets	294,300,984	223,182,195
Total Assets	**827,316,302**	**567,979,058**
Short-term Liabilities	353,256,122	176,611,294
Long-term Liabilities	193,611,613	144,825,308
Total Liabilities	546,867,735	321,436,602
Equity Capital	280,448,567	246,542,456
Total Liabilities	**827,316,302**	**567,979,058**

RISK MANAGEMENT AND INTERNAL AUDITING

The early Risk Identification Committee, serving under the Board of Directors, gives recommendations, when performing its duties, for developing necessary policies to monitor risks the Company could be exposed to and oversees risk management.

The Committee met in June and made recommendations to the Company's Board of Directors to take necessary measures, if required, taking into consideration the devaluation of the Turkish lira and the unit price of the Company stock and the potential risks that may arise afterwards.

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.

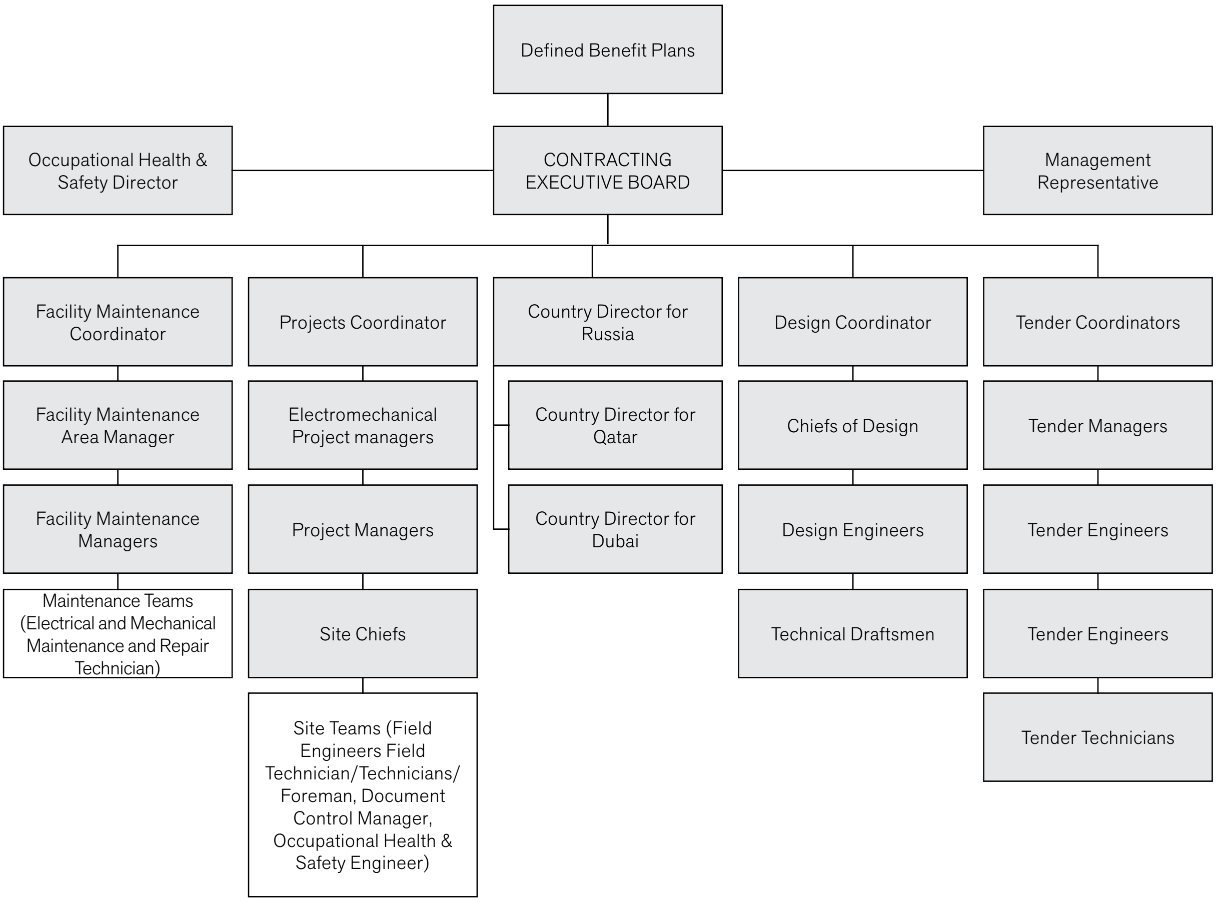
All of Anel Elektrik's centers of activity are audited in terms of basic financial values and process assessments on the basis of thematic inspections determined at each working period.

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.

BOARD OF DIRECTORS' REPORT

Company Title	Anel Elektrik Proje Taahhüt ve Ticaret A.Ş.
Address	Saray Mah. Site Yolu Sok. Anel İş Merkezi No:5\4 Ümraniye/ISTANBUL/TURKEY
Office of Trade Register	Istanbul
Trade Register Number	222590
Regisration Date	12.03.1986
Website	www.anel.com.tr

BOARD OF DIRECTORS' REPORT



Remuneration Policy
The remuneration of the Company's Board Members and Senior Managers is determined in accordance with the "Principles for Remuneration of the Board Members and Senior Managers" approved by the Board of Directors on April 12, 2012. With these principles it is aimed to structure, implement and manage the applications as regards to remuneration in strict compliance with the content and composition of the Company's operations, its long-term targets and strategies, ethical values and internal balances. These principles are disclosed on the Company's website.

During the Ordinary General Assembly meeting held on May 23, 2013, the attendance fee payable to the Members of the Board of Directors was discussed as a separate agenda item and it was resolved accordingly.

In 2013, total remuneration and attendance fees paid to the Board Members is an amount of TL 720,000 while the remuneration and other benefits extended to senior management team is a amounted to TL 1,542,341.

During the year, the Company has not lent any amounts to any of the members of its Board of Directors, nor has it given any credit or extended credit to them, nor offered any guarantees in their favor such as sureties.

Voting Rights
The General Assembly meetings and the quorum are subject to applicable provisions of the Turkish Commercial Code. The Company's shares are divided into Group A and Group B shares. Group A shares are privileged shares. At the General Assembly meetings, a Group A share has (two) voting rights and Group B share has (one) voting right.

Dividend Policy
There are no dividend privilege rights in shares. The Company's dividend policy is shown mainly in the principles set out by the Capital Market Board and besides in the Company's Articles of Incorporation (Article 17), the annual report and on the Company's website, thus it has been found unnecessary to define a separate policy and submit to the General Assembly. Date and method of dividend distribution shall be determined by the General Assembly, upon proposal by the Board of Directors, paying regard to the capital Market Legislation.

At end-2012, the Company attained a non-distributable profit of TL 15,464.00, thus the dividend distribution for the relevant year was not realized upon approval by the General Assembly.

Amendments made to the Articles of Incorporation during the Year During the year, amendments to Articles 10 and 13 of the Articles of Incorporation were made after obtaining the CMB's authorization and upon approval by the General Assembly held on May 23, 2013, with the purpose to comply with the legislation provisions.

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.

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.

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.

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.

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 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.

BOARD OF DIRECTORS' REPORT

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.

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.

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.

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.

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) 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.

To this end, the General Assembly meetings are held at the Company's head office or at locations where the majority of shareholders are settled.

Invitations to the General Assembly meeting is announced using the methods prescribed by the legislation as well as employing other means enabling access to as many shareholders as possible, and at least 3 weeks before the meeting.

Other Informatıon

During the period between January 1 – December 31, 2013;

- no research & development expenditure was made.
- the Company has not acquired its own shares.
- no private or public audit was performed in the Company other than independent audit studiers in compliance with the legislation provisions.
- there has been no actions filed against the Company and that would affect the Company's financial status and operations.
- no case occurred that required judicial and administrative sanctions against the Company and members of the managing body due to any practice contrary to the legislation provisions.
- Total donations and contributions in 2013 were TL 436,023.
- The Company has not benefitted from any incentive programs.
- no capital increase was made.
- no Extraordinary General Assembly meeting was held.

Other Information on Operations

New Contract for Qatar Research and Development Complex
The construction works for the Qatar Foundation Research & Development Complex project started upon execution of contract by and between REDCO Construction-AL MANA and ANEL MEP Maintenance & Operations LLC, the Company's affiliate, on July 31, 2013 and on February 13, 2014 the parties signed a separate contract for a total value of QAR 150 million (app. US$ 41 million) for new stages of the Complex project. It is estimated that total value of the project will be QAR 250 million (app. US$ 69 million) including the contracts signed earlier.

Information on Managerial Staff

Özlem Albayrak, serving at Anel Holding A.Ş., our parent company, as "Corporate Communication Group Manager" retired from office.

Member Appointment to the Corporate Governance Committee
With the resolution of the Company's Board of Directors adopted on February 26, 2014, it has been resolved that Önder Mutlu Bulut, Head of the Investor Relations Department, holder of SPF Advanced Level license and Corporate Governance Rating Expertise license, is appointed as the member of Corporate Governance Committee pursuant to the Corporate Governance Communiqué 28871 dated January 3, 2014 announced by the Capital Market Board. Accordingly, members of the Corporate Governance Committee are as given below:

Prof. Dr. Ahmet Münir EKONOMİ –
Chairman, Independent Board Member
Cahit DÜZEL - Member, Independent Board Member
Ahmet Bülent BATUKAN - Member, Board Member
Önder Mutlu BULUT - Member, Head of Investor Relations Department

Information on Managerial Staff

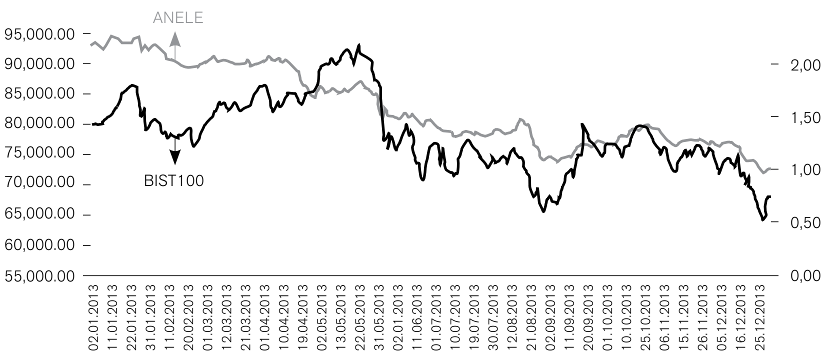
Fırat Burak Kerimak, serving at our company as "Facility Maintenance Coordinator" retired from office as of February 28, 2014.

INVESTOR RELATIONS

Anel Elektrik shares are traded at the Borsa İstanbul since June 16, 2010. Nominal value of the Company's issued capital is TL 110,000,000 divided into 110,000,000 shares with nominal value of TL 1.00 each.

The Company is traded at Borsa Istanbul A.Ş. under the ticker symbol ANELE and is included in BIST 100 index since April 2013. The Company's market value as of December 31, 2013 is TL 110,000,000.

Share Code	2013 Year-end Closing Price (TL)	Highest Price in the Year (TL)	Lowest Price in the Year (TL)
ANELE	1,00	2,29	0,83



News and financial data of the Company are accessible on the Company's website or information can be obtained from the Investor Relations Unit as explained below.

Tel: +90 (216) 636 20 00
Fax: +90 (216) 636 25 00
E-mail: investor.relations@anel.com.tr
Web: www.anel.com.tr

CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE REPORT

ANEL ELEKTRIK 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.

The Company's management initiated studies to make necessary adjustments to comply with the principles (1.3.1.), (1.3.5.), (1.3.6.), (1.3.9.), (4.2.6.), (4.3.1.), (4.3.2.), (4.3.3.), (4.3.4.), (4.3.5.), (4.3.6.), (4.3.7.), (4.3.8.), (4.5.1.), (4.5.2.), (4.5.3.), (4.5.4.), (4.5.9.), (4.5.10.), (4.5.11.), (4.5.12.), (4.5.13.), (4.6.2.) and (4.6.3.) which the Company must comply with pursuant to the Corporate Governance Principles announced by the Capital Market Board and in line with this objective completed the adjustments to a large extent. Consequently, in the operating period between January 1 and December 31, 2013 the Company managed to comply with the "Corporate Governance Principles" announced by the Capital Market Board, except certain mandatory and non-mandatory principles given below. The non-implementation of the following matters has not resulted in any conflict of interest.

- Currently the Company has not issued a written policy on donations and contributions as required by article 1.3.10 of the "Corporate Governance Principles".
- There are no regulations in the Company's Articles of Incorporation on minority rights, as required by article 1.5.2 of the "Corporate Governance Principles".
- The Company has not issued yet a written employee indemnity policy, as required by article 3.1.2 of the "Corporate Governance Principles".
- The Company has not established necessary mechanisms to transmit the stakeholders' transactions that are contrary to Company rules and unacceptable from ethical point of view to the Corporate Governance Committee or the Audit Committee, as required by article 3.1.4 of the "Corporate Governance Principles".
- Pursuant article 4.34 of the "Corporate Governance Principles", the number of Independent Board Members among totally seven Board members must be three, yet this number could not been attained yet. Two Independent Board Members will continue to serve and it is envisaged to appoint a new Independent Board Member.
- The Audit Committee consists of two Independent Members, as required by article 4.3.10 of the "Corporate Governance Principles", but at least one of the members has not acquired 5-year experience in audit/accounting and finance.
- Remuneration paid and all other benefits provided to Board Members and senior managers are disclosed to public through the annual report, pursuant to Article 4.6.5 of the "Corporate Governance Principles". But, disclosure is not made on individual basis but as a total for two groups as the Board of Directors and senior managers.
- There are no regulations in the Company's Articles of Association restricting the transfer of Group B shares. But there are certain conditions applicable for the transfer of Group A shares.
- Group A shareholders are granted some privileged rights. One of these rights is that all Board members, other than Independent Board Members, are elected from among Group A shareholders or candidates nominated by them while a further right is related with voting. During General Assembly voting, a group (AS) shareholders owns 2 and a Group (B) shareholder one vote.
- The request by shareholders for nominating of a private auditor has not been set down in the Company's Articles of Incorporation as an individual right.

SECTION I - SHAREHOLDERS

2. Investor Relations Unit
The Investor Relations Unit of the Company is in service as from the date when the Company went public. Carrying on its activities under Cem Özşen, Director for Financial Affairs and Finance, and the Corporate Governance Committee, the Unit provides information on its activities performed under task titles mentioned in the Corporate Governance Communiqué to the Corporate Governance Committee during Committee meeting. Such information is also presented to the Board of Directors together with the minute of the Committee resolutions.

Data in the Investor relations Unit are as given below.

Önder Mutlu Bulut
Investor Relations Manager
Holder of SPF Advanced Level license and Corporate Governance Rating Expertise license
Phone : +90 216 636 22 53
E-mail : onder.bulut@anel.com.tr

Questions addressed to the Investor Relations Unit are responded in accordance with the Anel Information Policy. The Company's management and the Unit attended 1 Investor Conference during the year and organized five teleconference calls. The conference and teleconferences were held at Company's head office or investors' offices together with 50 investors/analysts from 15 institutions and funds.

Adress: Anel Is Merkezi Saray Mahallesi Site Yolu Sokak No: 5/4 Umraniye Istanbul

The Investor Relations Unit organizes meetings with analysts and investors on regular basis in order to share developments in the Company's strategic and operational performance and to meet the requests for information in this regard. The meetings are held within the equality principles and all information thus shared with the analysts or investors are also disclosed on the Company's website.

3. Shareholders' Right to Information
In order to ensure that shareholders can easily access to information on the Company, the information set forth under the Corporate Governance Principles are announced on the Company's website, both in Turkish and English. The website is updated and followed up by the Investor Relations Unit.

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.

There is no regulation in the Articles of Incorporation on request for nominating a private auditor, included in the Corporate Governance Principles. There was no request during the period of operation for the appointment of a private auditor.

4. Information on the General Assembly
4. Information about the General Assembly During 2013, the Company's Ordinary General Assembly Meeting was held on May 23, 2013 with a quorum of 54.92%. No Extraordinary General Assembly Meeting was held during the year. The announcements about the Ordinary General Assembly Meeting were published in the Turkish Trade Registry Gazette, Yenigün and Dünya Newspapers circulated throughout the country, on the Public Disclosure Platform, the Electronic General Assembly System of the Central Registry Agency and on the Company's website four weeks prior to the date of meeting. Stakeholders and media did not attend the meeting.

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. Besides, all these information were disclosed on the Company's website together with the announcement of the General Assembly meeting and agenda items. Some shareholders who want to ask questions have utilized their rights at the General Assembly Meeting and satisfactory responses were given to these questions. No proposal for agenda has been presented.

The Company has not defined any policy on donations and contributions. Yet, the General Assembly was informed about the donations and contributions extended to publicly beneficial associations and foundations as a separate item on agenda.
Minutes of the general Assembly meeting and other documents are disclosed to shareholders and all stakeholders on the Company's website, the Public Disclosure Platform, the Electronic General Assembly System of the Central Registry Agency.

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.

There are no companies which are reciprocal shareholders.
The Company attaches importance to ensure that minority rights are exercised within the frame of the Capital Market Law, yet there is no regulation in the Articles of Incorporation in this respect.

6. Right of Dividend
There are no dividend privilege rights in shares. The Company's dividend distribution policy is expressly disclosed mainly as per the principles announced by the Capital Market Board and besides in the Articles of Incorporation (Article 17), the annual report and on the Company's website, therefore it is not needed to draft a separate policy to submit to the General Assembly's approval. 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.

At end-2012, the Company attained a non-distributable profit of TL 15,464.00, thus the dividend distribution for the relevant year was not realized upon approval by the General Assembly.

7. Transfer of Shares
The Company's Articles of Incorporation contains the provision that the bearer shares can be freely transferred in compliance with the legislation provisions, whereas the registered shares can be transferred upon approval of the written request for transfer by the Board of Directors and recording the transfer into the stock register.

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 Sirketi ("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 Company's website that can be reached at www.anel.com.tr is created to disclose information to shareholders, stakeholders and the public in clear, transparent and synchronous manner. The website contains the CMB's resolutions and announcements that govern the implementation of the Communiqués and Principles for CMB Corporate Governance Principles and is steadily updated. This information is available also in English. The Company's website contains the subjects specified in the Corporate Governance Principles.

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

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.

CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE REPORT

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.

Bringing in qualified work force that recognize the Anel values and will carry the Company to the future is one of our priorities. Assuring employee development and creating opportunities to unearth their potentials and encouraging them for their contributions and success they bring to the Company constitute the basis of the human resources policy.

Criteria that apply for personnel recruitment are defined in writing. Accordingly, the career planning for new personnel is made at time of recruitment and it is aimed to offer equal opportunities to equals. At the year end, plans and a general review of current situation are made.

With the purpose to improve personal and professional competencies, training programs that would directly affect the corporate success are organized.

Elif Özkan, Meltem Pekpak, Eylül Ünlüer and Berca Veziroğlu are appointed as employee representatives to maintain relationships with the employees. All resolutions adopted in concern with the employees or any developments that are of concern to them are conveyed to employees through the representatives. Besides, idea exchange on the Company's status, training, career and health are made with the employees.

Job description and distribution tasks as well as the performance and other criteria are defined in the Company's internal directives and these documents are kept on a portal that is easily accessible for all employees.

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.

All employees are treated equally, without any ethnic, language, religious, race and gender discrimination, in Training & Development, Performance Management, Career Management, Salary and other HR processes. No complaint was filed by any employee during the year.

The Company has not taken any supportive action to effectively bestow the right to form association and collective bargaining right, however the human resources systems and processes were steadily reviewed and structured in line with the requirements, with the purpose to maintain the Company's success in 2013, as well.

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.

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. Through the Scholarship Program, the Company aims to improve the level of education in the country, provide much better conditions for more students and increase the standard of living for youth. Furthermore, training-development camps, mentorship and internship possibilities are offered to the scholarship students backed up by the collaboration with the volunteers.

In 2013, the Company realized the following social responsibility projects.

SOCIAL RESPONSIBILITY ACTIVITIES in THE FIELD OF ARTS

Anel Group attaches great importance to arts and cultural activities while looking after the significance of art in terms of social life and education.
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 organized in 2013 are:

- Mixed Sculpture Exhibition
- Workshop Path III (Students of Devabil Kara Workshop at Marmara University Faculty of Fine Arts)
- Istanbul – A Century Ago – A Century Later (H.Nadir Ede)
- A Glance to the Finnish Textile Art Exhibition (Raija Jokinen &Aino Kajaniemi)

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 Çelikel Education Foundation

1. Fire Balls Scholarship Program

Fire Balls 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
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.

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 Shot in Education Program
The purpose of the Wide Shot in Education Program is to support and enhance all elements of a school (student, teacher, parents) and make them acquire new skills, to establish a model at schools based on a holistic view and make the system widespread. Consisting of information, awareness raising and socialization activities in order to contribute to success and happiness of students, teachers and parents, by supporting their personal, social and professional developments, the “Wide Shot in High Schools Program” was initiated in 2010. The implementation of program is continued at Kavak. The Rıdvan Çelikel Anatolian High School in its fourth education and training term. The program results, obtained with professional measurement and assessment, indicate that the program makes significant contribution particularly to development of students.

“My Vocational High School is Youth Friendly” Project
My Vocational High School is Youth Friendly Project launched by Çelikel Education Foundation in September 2013 with support by Matra Fund of the Consulate General of the Netherlands to Istanbul, aims to ensure that the young people get the most out of right to education by supporting the establishment of sensitive environments to human rights and gender mainstreaming at vocational high schools. Under the project to be implemented for ten months, the teachers’ and administrators’ awareness on human rights and gender mainstreaming was raised through workshop performances made for them in collaboration with the Human Rights Research Application Centre at Istanbul Bilgi University, the project partner, and they were provided with information and skills to give support to young people in this respect. With another aspect of the project it the introduction of human rights and democracy clubs at schools. It is aimed to make the young people active in field through various activities like seminars, visits to non-governmental organizations as well as publishing school newspapers thereby contributing to making responsible citizens out of these students who exercise their rights, respect for diversity and have adopted democratic values

“Youth-friendly High Schools” Project
On August 15, 2013, the Çelikel Education Foundation launched the “Youth-friendly High Schools” Project in collaboration with ÇOÇA (Istanbul Bilgi University, Children Studies Division). Ümraniye Anatolian High School, Ataşehir Anatolian High School and Ümraniye 75th year Trade Vocational High School are participating in the project that will be completed in 12 months and is financed by the European Union under the “Grant Program for Democratic Citizenship and Human Rights Training”. The Ministry of National Education serves as the program partner. The purpose of the project is to establish a culture at high schools that is sensitive to human rights and gender mainstreaming, to this end to strengthen the youth and parties related with the youth and to bring up the youth who esteem themselves and other people, know and express their rights, respect diversities, and maintain a non-discriminating and non-violent attitude to solve the problems. To this end, workshops for teachers and parents were organized in November and December 2013. At these workshops carried out with participation of ÇOÇA specialists and psychologists it was aimed to strengthen the parties related with young people. Furthermore, a manual to be used for Human Rights and Democracy Lecture to be given at schools under the project and a leaflet with the purpose to develop the parents’ participation in school activities. Teachers who participate in workshops will realize activities with the students for 10 lessons that would help to create awareness on human rights. First implementation at schools has already been initiated.

The first period of the course consisting of three workshops for parents is completed. The course on Being Positive and Effective Parents will be re-held in April at three schools again with the participation of the psychologists Banu Bülbül and Damla Gürkan. The study aims to find answers to the following questions: “How can we be effective parents?” “Can I balance between discipline and freedom?” “How can I know my child better?” “How can I administer my child so that he/she utilizes technology in a controlled way without being captured?” “How can I cope with stress, anger and conflict at home, with crisis and violence prevailing in society?”

SECTION IV – BOARD OF DIRECTORS

15. The Structure and Composition of the Board of Directors and Independent Members
The Company’s Board of Directors is comprised of 7 members; five of them are executive members while other two are Independent Board Members. With two female Board Members, the Company has attained a 28.57% female Board Member rate, thus exceeded the target level as set in the Corporate Governance Principles, on the other hand failed to have three Independent Board Members, as required for the Board consisting of seven Members. Two Independent Board Members will continue to serve and it is envisaged to appoint a new Independent Board Member and to finalize the studies for increasing the number of members up to eight during 2014.

Full Name	Position/Title
Rıdvan ÇELİKEL	Chairman
Avniye Mukaddes AKAY	Vice Chairman
Ahmet Bülent BATUKAN	Member
Mahir Kerem ÇELİKEL	Member
Merve Şirin ÇELİKEL	Member
Cahit DÜZEL	Independent Member
Prof. Dr. Ahmet Münir EKONOMİ	Independent Member

CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE REPORT

Rıdvan ÇELİKEL (Chairman)
Rıdvan Çelikel graduated from the Electrical Engineering Department of Yildiz 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 AKAY (Vice Chairman)
Avniye Mukaddes Akay 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 Çelikel Education 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.S; 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 Eczacıbasi 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 Menmer 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 Sabanci A.Ş., and a Director in Philsa A.Ş. Since 2005, he has been a Managing Partner of PAL Danismanlik Ltd. Sti. and Chairman of the Board of Directors of Menzel Kimya A.Ş.

Cahit Düzel meets all the requirements of an independent Menmer 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.

Member of Board of Directors	Other Entities She/He Serves
Rıdvan ÇELİKEL	Chairman of Anel Group of companies
Avniye Mukaddes AKAY	Vice Chairman of Anel Group of companies
Merve Şirin ÇELİKEL	Director of Anel Group of companies
Ahmet Bülent BATUKAN	Director of Anel Group of companies
Mahir Kerem ÇELİKEL	-
Prof. Dr. Ahmet Münir EKONOMİ	Consultant to Akbank T.A.Ş., Eczacıbasi 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 Danismanlık Ltd. Sti of Menzel Kimya A.Ş. and Chairman

The Members of the Board of Directors are elected at the General Assembly Meeting held on May 23, 2013 for the office term of three years. At the same Meeting, the Chairman and Members of Board have been empowered to perform the business and acts as stated under Articles 395 and 396 of the Turkish Commercial Code.

During the year, Cahit Düzel, Ahmet Münir Ekonomi and Kemal Taga made application for the Nomination Committee, and these applications were evaluated by the Committee and submitted for the Board of Directors' review, together with the Declaration of Independence, before the general Assembly meeting. At the General Assembly Meeting held on May 23, 2013, Cahit Güzel and Kemal Taga, both meeting the independency criteria, were elected as Independent Board Members.

Upon the voluntarily resignation of Kemal Taga, an Independent Board Member, on June 24, 2013, Prof. Dr. Ahmet Münir Ekonomi was appointed as the Independent Board Member, based on the Board Resolution of the same date, to serve until the date of next General Assembly meeting, in order to maintain the minimum number of Independent Board Members.

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.

Except for the Independent Board Members, other Members of the Board are allowed to serve as Board Members at Group companies.

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 secretary notifies members about meetings by email and telephone. The Secretarial Office established within the Board of Directors, in accordance with the Corporate Governance Principles, informs the Board Members by delivering the agenda of the meeting and the relevant documents.

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.

In the operating year of 2013, the Board of Directors held 18 meetings with 100% participation rate. The members take great care to attend every Board meeting and express their opinions. Opinions of Members who do not attend the meeting but send their opinions in written are notified to other Members.

Resolutions of the Board of Directors and resolutions on all related party transactions are adopted by the majority vote of Independent Members in accordance with the Corporate Governance Principles. At the meetings held during the period, no Member voted against the Board resolutions.

Although no material event, as described in the Communiqué on the Corporate Governance Principles, occurred during the year, the majority of the Independent Board Members agreed with the resolutions adopted by the Board of Directors. All important events resolved at the meetings are announced to the public via material disclosures.

Board Members are not granted voting right in case of equality and/or veto power. Every Board Member, including the Chairman, has one vote and none of the Members has weighted vote.

The Members of the Company's Board of Directors and the managerial staff are secured by the insurance of US$ 25 million against the losses the Company would suffer from due to their failures in the line of their duties.

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

The Audit, Corporate Governance, Early Risk Identification Committees and Nomination and Remuneration Committees both reporting to the Corporate Governance Committee continued their activities in 2013. The outline of the Committees' operations and working principles are disclosed to public on the Company's website. According to the composition of the existing Board of Directors, Prof. Dr. Ahmet Münir Ekonomi and Cahit Düzel, both being Independent Board Members, are serving as members of all the Committees of the Company. The Audit Committee consists of two Independent Members, but at least one of the members has not acquired 5-year experience in audit/accounting and finance. In 2014, the Company plans to appoint a new Independent Board member to serve at the Board of Directors and who meets the necessary experience conditions.

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	Board Member

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

Early Risk Identification Committee	Full Name	Status
Chairman	Prof. Dr. Ahmet Münir Ekonomi	Independent Member
Member	Cahit Düzel	Independent Member

CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE REPORT

The Committees meet as frequently as required by the Corporate Governance Principles. In 2013, the Audit Committee met five times, the Early Risk Identification Committee once and the Corporate Governance Committee three times. The minutes of committee meetings are presented to the Company's Board of Directors.

The information about the procedures followed by the Committees established by the Board of Directors when performing their duties are disclosed on the Company's website.

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;
   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. Company's Strategic Targets
As from 1986, the Company endeavors to protect our future by acting with awareness to add value to the planet earth we live on, the society we are a part of and to the institutions and companies we serve at. It contributes that we share and maintain our values. Targets and critical performance indicators paralleling the Company's vision and mission designated in line with this point of view are defined within the context of the annual strategic plans. These targets and critical performance indicators are approved by the Board of Directors at its meeting held at the end of the previous year. At its ordinary meetings, the Board of Directors reviews the operating results by comparing them with performance and target indicators of the previous year.

20. Financial Rights
The Remuneration of the Members of the Board of Directors and Senior Managers "Guidelines for Remuneration of Directors and Executives" were approved. 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.

During the Ordinary General Assembly meeting held on May 23, 2013, the attendance fee payable to the Members of the Board of Directors was discussed as a separate agenda item and it was resolved accordingly.

Pursuant to the Corporate Governance Principles, remuneration of the Board Members as well as of the Company's senior managers and all other benefits provided are disclosed to the public in the annual report. However, disclosures pertaining to the Board of Directors and executive senior managers are not made on individual basis but as a total for two groups as the Board of Directors and senior managers.

In 2013, total remuneration and attendance fees paid to the Board Members is an amount of TL 720,000 while the remuneration and other benefits extended to executive senior managers reached TL 1,542,341.

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.

AUDITOR'S OPINION FOR ANNUAL REPORT

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

1. As part of the independent audit, we have examined whether the financial statements contained in the annual report of Anel Elektrik Proje Taahhüt ve Ticaret A.Ş. ("the Company") as of December 31, 2013 and the Board's assessments and explanations are complying with the independently audited consolidated financial statements of the same date.

2. Company's management is responsible for the preparation of the annual report, subject hereof, in accordance with the Regulation on the Definition of the Least Content of the Companies' Annual Reports.

3. As the independent audit company, our responsibility is to express an opinion on the compliance of the financial data contained in the annual report with the independently audited financial statements, being the subject of the independent auditors' report dated March 11, 2014.

   We conducted our audit in accordance with the methods and principles regarding the preparation and presentation of the annual report implemented pursuant to the Turkish Commercial Code no 6102. Those regulations require that the audit is drafted and performed to obtain reasonable assurance whether the compliance of the financial data contained in the annual report with the independently audited financial statements and information obtained by the independent auditor during the audit process is free from any significant mistakes.

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

4. In our opinion, there is no significant finding indicating any non-compliance of the financial data contained in the accompanying annual report and the assessments and explanations by the Board of Directors, in all material respects, with the Company's independently audited consolidated financial statements at December 31, 2013.

Istanbul, March 11, 2014

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

Atilla ZAİMOĞLU
Partner, Auditor

DECLARATION OF RESPONSIBILITY

OF THE BOARD RESOLUTION ON APPROVAL OF FINANCIAL STATEMENTS AND ANNUAL REPORTS
DATE: 11.03.2014
NUMBER: 04

COMPANY'S DECLARATION OF RESPONSIBILITY PURSUANT THE CAPITAL MARKET BOARD'S COMMUNIQUÉ SERIES: XI, NO: 29, PART THREE ARTICLE 9

a) We have examined the statement of financial position as well as the income statement and annual report of Anel Elektrik Proje Taahhüt ve Ticaret Anonim Şirketi ("the Company") at 31 December 2013.

b) Based on the information we possess pursuant to our duties and responsibilities within the Company, the financial statements and the annual report do not have any misstatements in material aspects or any omissions that may be construed as misleading as of the date of declaration,

c) Based on the information we possess pursuant to our duties and responsibilities within the Company, the financial statements, together with those included in consolidation, that were prepared pursuant the Communiqué fairly reflect the Company's assets, liabilities, financial situation and profit/loss and the annual report fairly reflects the business development and performance, the financial statements, together with those included in consolidation, significant risks and uncertainties being exposed.

Sincerely

A.Mukaddes AKAY
Vice Chairman

Cem ÖZŞEN
Financial Affairs Director

ANEL ELEKTRİK PROJE TAAHHÜT VE TİCARET A.Ş.

AND ITS SUBSIDIARIES

CONVENIENCE TRANSLATION INTO ENGLISH

OF CONSOLIDATED FINANCIAL STATEMENTS

AS OF DECEMBER 31, 2013

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, 2013 and the related the consolidated profit or loss and other comprehensive 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 Turkey Accounting / Financial Reporting Standards issued by Public Oversight Accounting and Auditing Standards Authority ("POA") and 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 standarts 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 desing 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.

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 905.242 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, 2013, the same date its financial performance and its consolidated cash flows for the year then ended, in accordance with the Turkey Accounting / Financial Reporting Standards issued by the POA.

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

Anel Group's subsidiary, DAG-08 OOD, Golden Sun OOD, Anel BG Ltd. as of 31.12.2013 issued by the POA’s financial statements prepared in accordance with Turkey Accounting / Financial Reporting Standards, audit firm to another has been audited by the audit were issued after 28.02.2014 is unqualified opinion dated.

Reports on independent auditor responsibilities arising from other regulatory requirements

In accordance with Article 402 of the Turkish Commercial Code, the Board of Directors submitted to us the necessary explanations and provided required documents within the context of audit, additionally, no significant matter has come to our attention that causes us to believe that the Group’s bookkeeping activities for the period 1 January – 31 December 2013 is not in compliance with the code and provisions of the Company’s articles of association in relation to financial reporting.

Pursuant to Article 378 of Turkish Commercial Code no. 6102, Board of Directors of publicly traded companies are required to form an expert committee, and to run and to develop the necessary system for the purposes of: early identification of causes that jeopardize the existence, development and continuity of the company; applying the necessary measures and remedies in this regard; and, managing the related risks. According to subparagraph 4, Article 398 of the code, the auditor is required to prepare a separate report explaining whether the Board of Directors has established the system and authorized committee stipulated under Article 378 to identify risks that threaten or may threaten the company and to provide risk management, and, if such a system exists, the report, the principles of which shall be announced by the POA, shall describe the structure of the system and the practices of the committee. This report shall be submitted to the Board of Directors along with the auditor’s report. Our audit does not include evaluating the operational efficiency and adequacy of the operations carried out by the management of the Group in order to manage these risks. As of the balance sheet date, POA has not announced the principles of this report yet so, no separate report has been drawn up relating to it.

Istanbul, 11 March 2013

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

Atilla ZAİMOĞLU
Managing Partner

ANEL ELEKTRİK PROJE TAAHHÜT VE TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARIES
AUDITED
CONSOLIDATED FINANCIAL STATEMENT AS OF DECEMBER 31, 2013

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

		Audited	
		Current Period	**Prior Period**
	Notes	**31.12.2013**	**31.12.2012**
ASSETS			
Current Assets		**533.015.318**	**344.796.863**
Cash and Cash Equivalents	6	46.477.869	15.657.396
Financial Assets	7	-	-
Trade Receivables			
- Due from Related Parties	9, 38	16.526.880	11.767.165
- Trade receivables from third parties	9	341.971.592	229.403.859
Other Receivables			
- Due from Related Parties	10, 38	54.824.035	17.359.469
- Other receivables from third parties	10	10.485.794	5.729.936
Inventories	12	26.665.326	30.602.327
Prepaid Expenses	13	14.051.236	12.634.261
Current Assets Related with Current Period Tax	36	4.462.343	4.968.460
Other Current Assets	27	17.550.243	16.673.990
Non-Current Assets		**294.300.984**	**223.182.195**
Financial Assets	7	46.296	46.296
Other Receivables			
- Due from Related Parties	10, 38	-	400.000
- Other receivables from third parties	10	50.009	50.009
Investments According to Equity Method	15	10.465.756	16.384.265
Investment Property	16	137.533.858	120.630.071
Property, Plant and Equipment	17	26.652.719	22.720.500
Intangible Fixed Assets			
- Goodwill	19	8.063.535	173.385
- Other Intangible Fixed Assets	17	1.226.977	1.935.201
Prepaid Expenses	13	2.394.582	111.425
Deferred Tax Assets	36	99.866.716	57.345.946
Non-Current Assets Related with Current Period Tax	36	8.000.536	3.385.097
Other Non-Current Assets	27	-	-
TOTAL ASSETS		**827.316.302**	**567.979.058**

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 FINANCIAL STATEMENT AS OF DECEMBER 31, 2013

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

	Notes	Audited Current Period 31.12.2013	Prior Period 31.12.2012
LIABILITIES			
Short-Term Liabilities		**353.256.122**	**176.611.294**
Short-Term Borrowings	8	83.089.799	24.261.694
Current Part of Long Term Borrowings	8	16.873.787	10.474.242
Trade Payables			
- Due to Related Parties	9, 38	4.793.648	713.646
- Other payables to third parties	9	78.751.927	57.622.035
Employee Benefits	26	2.470.593	2.108.666
Other Payables			
- Due to Related Parties	10, 38	3.421.646	2.659.949
- Other payables to third parties	10	5.263.549	11.736.617
Deferred Income	13	150.730.054	62.379.760
Taxes on Income	36	7.380.211	4.224.065
Short-Term Provisions			
- Employee Benefits	26	480.908	421.278
- Other Short-Term Provisions	24	-	-
Other Current Liabilities	27	-	9.342
Non-Current Liabilities		**193.611.613**	**144.825.308**
Long-Term Borrowings	8	91.777.772	86.364.285
Trade Payables			
- Due to Related Parties	9, 38	-	160.052
-Trade Payables to Third Parties	9	-	-
Deferred Income	13	1.531.171	1.680.197
Long-term provisions			
-Employee Benefits Related to Long-Term Provisions	26	975.996	794.486
- Other Long-Term Provisions	24	-	-
Deferred Tax Liabilities	36	99.326.674	55.826.288
Other Long-Term Liabilities	27	-	-
EQUITY CAPITAL		**280.448.567**	**246.542.456**
Equity Attributable to Equity Holders of the Parent		**251.353.634**	**217.418.729**
Paid-in Share Capital	28	110.000.000	110.000.000
Inflation adjustments to paid in capital (-)			
Shares Related To Premiums/Discounts	28	1.384.433	1.384.433
Other comprehensive income/expense not to be reclassified to profit or loss			
- Revaluation and Measurement Gain / (Loss)	28	926.297	866.692
- Defined Benefit Plans Remeasurement Gains / Losses	28	(206.574)	(89.612)
Reclassification to profit or loss Accumulated Other Comprehensive Income or Expenses			
-Foreign Currency Translation Difference	28	45.326.637	12.839.177
Restricted reserves allocated from profits	28	3.052.537	2.955.734
Retained Earnings	28	89.497.781	89.446.841
Profit of The Period	37	1.372.523	15.464
Non-Controlling Interests	28	**29.094.933**	**29.123.727**
TOTAL LIABILITIES		**827.316.302**	**567.979.058**

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 INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2013

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

	Notes	Audited Current Period 01.01.-31.12.2013	Prior Period 01.01.-31.12.2012
OPERATING INCOME			
Revenue	29	459.740.937	291.411.121
Cost of Sales (-)	29	(408.355.927)	(247.475.094)
GROSS PROFIT/LOSS	**29**	**51.385.010**	**43.936.027**
General Administrative Expense (-)	30	(23.950.856)	(26.144.619)
Marketing and Sales Expense (-)	30	(625.853)	(929.687)
Other Operating Income	32	14.230.827	3.938.292
Other Operating Expense (-)	32	(15.638.646)	(3.282.822)
OPERATING PROFIT/LOSS		**25.400.482**	**17.517.191**
Income From Investing Activities	33	18.568.633	3.996.588
Expense From Investing Activities (-)	33	-	(37.361)
Shares of Investments Valuated with Equity Equity Method on Income / (Loss)	15	(5.213.672)	(7.548.418)
OPERATING PROFIT/LOSS BEFORE FINANCIAL INCOME AND EXPENSES		**38.755.443**	**13.928.000**
Finance Income	34	99.598.081	31.679.614
Financing Expenses (-)	34	(129.863.516)	(36.565.727)
PROFIT/ (LOSS) BEFORE PROVISION FOR TAXES		**8.490.008**	**9.041.887**
Tax Income/(Expense) From Operating Activities			
-Tax For Period	36	(6.798.587)	(4.292.323)
-Deferred Tax Income/ (Expense)	36	(1.553.523)	(958.952)
CONTINUING OPERATIONS PROFIT / (LOSS)		**137.898**	**3.790.612**
PROFIT/ (LOSS) FOR THE PERIOD		**137.898**	**3.790.612**
Allocation on Profit / (Loss) for the Period			
Non-Controlling Interests	28	**(1.234.625)**	**3.775.148**
Parent Company Share	37	**1.372.523**	**15.464**
Share In Earnings Per			
- From Continuing Operations Earnings Per Share	37	0,01	0,00
Diluted Earnings Per Share			
- From Continuing Operations Diluted Earnings Per Share	37	-	-

ANEL ELEKTRİK PROJE TAAHHÜT VE TİCARET ANONİM ŞİRKETİ AND ITS SUBSIDIARIES
AUDITED
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

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

PROFIT/ (LOSS) BEFORE PROVISION FOR TAXES	**137.898**	**3.790.612**
OTHER COMPREHENSIVE INCOME		
Items not to be reclassified to profit or loss in subsequent periods:		
Revaluation of Tangible Assets Increase/ (Decrease)	74.506	-
Defined Benefit Plans Remeasurement Gains / Losses	(146.203)	(83.995)
Defined Benefit Plans Remeasurement Gain / Loss Related to Taxes		
- Current Tax (Expense) / Income)	-	
- Deferred Tax (Expense) / Income)	29.241	16.799
Reclassification to profit or loss in other comprehensive income Taxes on Income / (Expense)		
- Current Tax (Expense) / Income)	-	-
- Deferred Tax (Expense) / Income)	(14.901)	-
Other comprehensive income to be reclassified to profit or loss		
Foreign Currency Translation Differences	32.487.460	(5.786.676)
OTHER COMPREHENSIVE INCOME	**32.430.103**	**(5.853.872)**
TOTAL COMPREHENSIVE INCOME	**32.568.001**	**(2.063.260)**
Attribution of period income		
Non-Controlling Interests	(1.101.044)	3.767.528
Parent Company Share	33.669.045	(5.830.788)

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
01.01.-31.12.2013 THE CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

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

				Other comprehensive income items not to be reclassified to profit or loss in subsequent periods		Other comprehensive income items to be reclassified to profit or loss in subsequent periods			Retained earnings				
	Notes	Share Capital	Premiums / Discounts related with Shares	Revaluation Measurement Gains/(Losses)On	Identified Benefit Plans Reclasification Income/Loss	Foreign Currency Translation Difference	Other Gains / (Losses)	Restricted Reserves	Prior Years Profit / (Loss)	Net Profit / (Loss)	Equity Attributable to Parent	Non-controlling interests	Equity
PRIOR PERIOD													
Balances as of January 1, 2012 (beginning of period)	**28**	**110.000.000**	**1.339.604**	**1.190.779**	**(32.384)**	**18.161.347**	**-**	**1.357.003**	**65.780.075**	**25.265.496**	**223.061.920**	**25.395.995**	**248.457.915**
Changes in Accounting Policies Relating to Corrections		-	-	-	(57.228)	-	-	-	32.385	-	(24.843)	-	**(24.843)**
Transfers		-	44.829	24.400	-	(5.322.170)	-	1.598.731	23.634.381	(25.265.496)	(5.285.325)	(47.416)	**(5.332.741)**
Total Comprehensive Income	37	-	-	-	-	-	-	-	-	15.464	15.464	3.775.148	**3.790.612**
Investments Accounted for by the Equity Method of Comprehensive Income Shares		-	-	(348.487)	-	-	-	-	-	-	(348.487)	-	**(348.487)**
Balance as of December 31, 2012 (end of period)	**28**	**110.000.000**	**1.384.433**	**866.692**	**(89.612)**	**12.839.177**	**-**	**2.955.734**	**89.446.841**	**15.464**	**217.418.729**	**29.123.727**	**246.542.456**
CURRENT PERIOD													
Balances as of January 1, 2013 (beginning of period)	**28**	**110.000.000**	**1.384.433**	**866.692**	**(89.612)**	**12.839.177**	**-**	**2.955.734**	**89.446.841**	**15.464**	**217.418.729**	**29.123.727**	**246.542.456**
Transfers		-	-	59.605	(116.962)	32.487.460	-	-	15.464	(15.464)	32.430.103	-	**32.430.103**
Total comprehensive income	37	-	-	-	-	-	-	-	-	1.372.523	1.372.523	(1.234.625)	**137.898**
Increase / (Decrease) related with Changes of Subsidiary Share Percentage with Non-Progressive Loss		-	-	-	-	-	-	96.803	35.476	-	132.279	1.205.831	**1.338.110**
Balance as of December 31, 2013 (end of period)	**28**	**110.000.000**	**1.384.433**	**926.297**	**(206.574)**	**45.326.637**	**-**	**3.052.537**	**89.497.781**	**1.372.523**	**251.353.634**	**29.094.933**	**280.448.567**

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
01.01.2013 - 31.12.2013 CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD

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

		Audited	
	Notes	Current Period 01.01.-31.12.2013	Prior Period 01.01.-31.12.2012
A. CASH FLOWS FROM OPERATING ACTIVITIES		**(50.477.437)**	**(29.038.201)**
Profit/(Loss)	37	**137.898**	**3.790.612**
Adjustments to reconcile net profit to cash provided by operating activities		**51.613.219**	**33.368.122**
Depreciation and amortization Adjustments	17, 19	3.971.008	2.523.631
Provisions Adjustments	24	1.028.378	4.099.142
Projects expense accurals	14	49.438.629	17.720.804
Tax Expense / Income Adjustments	36	8.352.110	5.251.275
Dividend Income from Equity Investments According to Equity Method (-)	15	5.213.672	7.548.418
Minority Interest's (profit) / loss	28	1.234.625	(3.775.148)
Investing Property Outflow Increase / Decrease Adjustments	33	(99.709)	-
Fair Value Increase / Decrease Adjustments	16, 17	(17.525.494)	-
Net working capital changes in:		**(98.004.489)**	**(62.233.202)**
Increase (-) / Decrease (+) on Inventories	12	3.937.001	(5.198.307)
Trade Receivables Increase / Decrease Adjustments	9	(77.401.540)	8.265.459
Other Receivables Increase / Decrease Adjustments	10	(41.820.424)	(10.316.328)
Trade Payables Increase / Decrease Adjustments	9	24.662.497	8.409.370
Other Payables Increase / Decrease Adjustments	10	(5.349.444)	16.563.675
Receivables from Continuing Construction Contract Increase / Decrease Adjustments	14	(88.817.140)	(38.937.243)
Other Changes on Capital Increase / Decrease Adjustments		86.784.561	(41.019.828)
Cash Flows from Operating Activities Obtained		**(46.253.372)**	**(25.074.468)**
Tax Payments / Refunds	36	(4.224.065)	(3.963.733)
B. CASH FLOW FROM INVESTING ACTIVITIES		**(9.098.093)**	**(31.129.313)**
Cash Outflows from Purchases for able to Control Subsidiaries	3	(6.662.640)	-
Changes on Investments Valuated with Equity Method	15	5.918.509	(13.572.321)
Cash Inflows from Investment Property Sales		762.711	
Cash Inflows/Outflows from Sales of Tangible and Intangible Assets	17, 18, 19	(2.218.077)	(21.213.854)
Cash Inflows from Sales of Other Long Term Assets		-	4.567.037
Cash Outflows from Purchase of Other Long Term Assets	13	(6.898.596)	(910.175)
C. CASH FLOWS FROM FINANCING ACTIVITIES		**57.908.543**	**(5.564.380)**
Cash inflows arising from borrowing	6	70.641.137	(9.292.112)
Interest Paid	34	(13.938.425)	**-**
Changes in Minority Shares	28	1.205.831	3.727.732
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS BEFORE FOREIGN CURRENCY CONVERSION ADJUSTMENTS (A+B+C)		**(1.666.987)**	**(65.731.894)**
D. FOREIGN CURRENCY TRANSLATION DIFFERENCES IMPACT ON CASH AND CASH EQUIVALENTS	28	32.487.460	(5.786.676)
NET (DECREASE)/INCREASE IN CASH ANS CASH EQUIVALENTS (A+B+C+D)		**30.820.473**	**(71.518.570)**
E. CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	**6**	**15.657.396**	**87.175.966**
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (A+B+C+D+E)	**6**	**46.477.869**	**15.657.396**

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

CONTENTS

(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 Azerbaycan.
Tiflis Branch: Tiflis Sehri, Paliasvili Sokak No:17 Tiflis-Georgia
Doha Branch: P.O. Box: 21346 Doha– Qatar
Azerbaycan Branch: C. Cabbarlı 44, Caspian Plaza Kat:2 D:4 Bakü - Azerbaycan

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 uninterruped solutions by using low-tension services and electrical distrubution 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 shares were offered to public in 2010, and 31 December 2013 %50,58% of the Istanbul Stock exchange, INC. (BIST)are traded.

In the period ended at December 31, 2013, the average of 1.264 people have been employed in the group. (December 31.12.2012: 1.845)

The main shareholder of the company is Çelikel Family.

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

Name of the Company	Field of the Activitiy	Country of Incorporation
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.

2. BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS

A. Basic Standards of Presentation

Declaration of Conformity to TAS

The condensed financial statements and disclosures have been prepared in accordance with the communiqué numbered II-14,1 "Communiqué on the Principles of Financial Reporting In Capital Markets" ("the Communiqué") announced by the Capital Markets Board ("CMB") (hereinafter will be referred to as "the CMB Accounting Standards") on 13 June 2013 which is published on Official Gazette numbered 28676.

In accordance with article 5th of the CMB Accounting Standards, companies should apply Turkish Accounting Standards/Turkish Financial Reporting Standards (TAS) and interpretations regarding these standards as adopted by the Public Oversight Accounting and Auditing Standards Authority ("POA").

Of the group at 31 December 2013 edited as of the date of the consolidated financial statements, 11 March 2014 approved by the Board of directors and was signed on behalf of the Board. General Assembly have the power to amend the financial statements.

Basis of presentation of the financial statements

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

Consolidated financial statements/TMS in order to prepare, as appropriate, assets and liabilities, contingent assets and liabilities with relation to the explanatory notes to affect certain assumptions important and requires the use of accounting estimates. These estimates, management's current events and actions within the framework based on best estimates, the actual results are different than estimated to occur. Complex and a further comment that requires assumptions and estimates to have a significant effect on the financial statements can be found. 31 December 2013 as of the date of the financial statements the assumptions used in the preparation of important and there has been no change in the accounting estimates.

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

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

A. Basic Standards of Presentation (continued)

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

Classifications applied to consolidated financial statements as of 31 December 2012

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").

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:

		31 December 2013		31 December 2012	
Name of the Company	Currency	End of the Period	Average of the Period	End of the Period	Average of the Period
Katar Branch	Qatari Riyal (QAR)	0,5863	0,5223	0,4897	0,4924
Gürcistan Branch	Georgian Lari (GEL)	1,2292	1,0950	1,0749	1,0809
Azerbaycan Branch	New Manat	0,2670	0,2379	0,2230	0,2243
Anel Ukrayna Ltd.	Ukraine Hryvnia (UAH)	0,0651	0,0580	0,0586	0,0589
Anel Engineering-Technological Company Ltd.Rusya	Russian Ruble	1,4929	1,2835	1,1924	1,1685
Dag-08 Ood, Golden Sun Ood, Anel BG Ltd.	Bulgarian Lev	2,7206	2,4236	2,2708	2,2834
Anel Emirates	United Arab Emirates Dirham	0,5691	0,5069	0,4753	0,4780

Termination of Inflation Adjusments

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.

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

A. Basic Standards of Presentation (continued)

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.

Classifications applied to consolidated financial statements as of 31 December 2012

Based on the decision taken on 7 June 2013 by the CMB at its meeting numbered 20/670, a new illustrative financial statement and guidance to it has been issued effective from the interim periods ended after 31 March 2013, which is applicable for the companies that are subject to Communiqué on the Principles of Financial Reporting In Capital Markets. Based on these new illustrative financial statements, a number of changes made at the Company‟s consolidated balance sheets. The reclassifications that are made at the Company‟s consolidated balance sheet as at 31 December 2012 are as:

IFRS-11 Joint Agreements," the effect of the Standard

1 1 January 2013 before the date of the Group's joint venture company is considered to be 1 January 2013 from the date of IAS 31% in force because of the lack of previous comparative periods in the consolidated financial statements using the proportionate consolidation method, instead of using the equity method are recognised in the income statement and the comparative period, the consolidated financial statements for the re-arranged.

31 December 2013 at the date of the re-organized; 31 December 2012, the with statement of financial position 1 January - 31 December 2012 period in the profit or loss statement as reported previously in the financial statements of the agreement are as follows:

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

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

A. Basic Standards of Presentation (continued)

Assets	Previously Reported December 31, 2012	CMB Format Change Impact	Effect of changes in IFRS 11	Restated December 31, 2012
Current Assets	**355.172.803**	-	(10.375.940)	**344.796.863**
Cash and Cash Equivalents	16.334.806	-	(677.410)	15.657.396
Trade Receivables				
- Trade receivables from related parties	11.189.115	-	578.050	11.767.165
- Trade receivables from third parties	102.809.154	128.067.289	(1.472.584)	229.403.859
Other Receivables				
- Other receivables from related parties	15.837.392	-	1.522.077	17.359.469
- Other receivables from third parties	5.882.763	-	(152.827)	5.729.936
Ongoing Construction Contracts Claims	134.334.347	(128.066.963)	(6.267.384)	
Inventories	33.039.123	-	(2.436.796)	30.602.327
Prepaid Expenses		12.634.261	-	12.634.261
Related to Current Tax Assets		4.968.460	-	4.968.460
Other Current Assets	35.746.103	(17.603.047)	(1.469.066)	16.673.990
Fixed Assets	**235.720.686**	-	**(12.538.491)**	**223.182.195**
Financial Assets	46.296	-	-	46.296
Other Receivables				
- Other receivables from related parties	400.000	-	-	400.000
- Other receivables from third parties	52.860	-	(2.851)	50.009
Investments accounted for by the equity method	23.268.430		(6.884.165)	16.384.265
Investment Property	120.630.071	-	-	120.630.071
Tangible Fixed Assets	28.085.377	-	(5.364.877)	22.720.500
Intangible Assets				
-Goodwill	173.385			173.385
-Other Intangible Assets	2.214.457	-	(279.256)	1.935.201
Prepaid Expenses	-	3.496.522	(3.385.097)	111.425
Deferred Tax Assets	57.353.288	-	(7.432)	57.345.946
Related to Current Tax Assets	-		3.385.097	3.385.097
Other Fixed Assets	3.496.522	(3.496.522)	-	-
Total Assets	**590.893.489**	**-**	**(22.914.431)**	**567.979.058**

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

2. BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS (continued)
A. Basic Standards of Presentation (continued)

LIABILITIES	Previously Reported December 31, 2012	CMB Format Change Impact	Effect of changes in IFRS 11	Restated December 31, 2012
Short-Term Liabilities	**199.479.707**		**(22.868.413)**	**176.611.294**
Short-Term Borrowings	34.735.936	(10.474.242)		24.261.694
Current Part of Long Term Borrowings		10.474.242		10.474.242
Trade Payables				
- Due to Related Parties	7.790.981		(7.077.335)	713.646
- Other payables to third parties	53.711.673	8.882.168	(4.971.806)	57.622.035
Employee Benefits		2.108.666		2.108.666
Ongoing Construction Contracts Claims	7.291.942	(7.291.942)		
Other Payables				
- Due to Related Parties	5.685.541		(3.025.592)	2.659.949
- Other payables to third parties	20.190.750	(2.108.666)	(6.345.467)	11.736.617
Derivative Instruments		62379760		62.379.760
Government Grants and Incentives	4.224.065			4.224.065
- Employee Benefits				
- Other Short-Term Provisions	409.995		11.283	421.278
Other Current Liabilities	65.438.824	(63.969.986)	(1.459.496)	9.342
Non-Current Liabilities	**144.871.326**	**-**	**(46.018)**	**144.825.308**
Long-Term Borrowings	86.364.285	-	-	86.364.285
Trade Payables				
- Due to Related Parties	160.052		-	160.052
Deferred Income	-	1.680.197	-	1.680.197
Long-term provisions			-	
-Employee Benefits Related to Long-Term Provisions	834.435		(39.949)	794.486
Deferred Tax Assets	55.832.357		(6.069)	55.826.288
Other Fixed Assets	1.680.197	(1.680.197)	-	-
Total Liabilities	**344.351.033**		**(22.914.431)**	**321.436.602**
Equity Capital	**246.542.456**			**246.542.456**
Equity Attributable to Parent	**217.418.729**			**217.418.729**
Paid-in Share Capital	110.000.000	-	-	110.000.000
Shares Related To Premiums/Discounts	1.384.433		-	1.384.433
- Revaluation and Measurement Gain / (Loss)	866.692	-	-	866.692
- Defined Benefit Plans Remeasurement Gains / Losses	(89.612)			(89.612)
Other Comprehensive Income or Expenses				
-Foreign Currency Translation Difference	12.839.177	-	-	12.839.177
Restricted reserves allocated from profits	2.955.734	-	-	2.955.734
Retained Earnings	89.446.841	-	-	89.446.841
Profit of The Period	15.464	-	-	15.464
Non-Controlling Interests	**29.123.727**			29.123.727
Total Liabilities	**590.893.489**	-	**(22.914.431)**	**567.979.058**

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

2. BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS (continued)
A. Basic Standards of Presentation (continued)

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

Classifications applied to consolidated financial statements as of 31 December 2012 (continued)

	Previously Reported December 31, 2012	CMB Format Change Impact	Effect of changes in IFRS 11	Effect of Other Classification	Restated December 31, 2012
OPERATING INCOME					
Revenue	306.981.384	-	(15.570.263)	-	291.411.121
Cost of Sales (-)	(260.380.672)	-	12.905.578	-	(247.475.094)
GROSS PROFIT/LOSS	**46.600.712**		**(2.664.685)**		**43.936.027**
General Administrative Expense (-)	(34.065.986)	-	7.921.367	-	(26.144.619)
Marketing and Sales Expense (-)	(1.000.957)	-	71.270	-	(929.687)
Research and Development Expenses (-)	**5.680.527**	(3.117.298)	(21.745)	1.396.808	3.938.292
Other Operating Income	(773.860)	-	415.536	(2.924.498)	(3.282.822)
Other Operating Expense (-)					
OPERATING PROFIT/LOSS	**16.440.436**	**(3.117.298)**	**5.721.743**	**(1.527.690)**	**17.517.191**
Income From Investing Activities	-	3.996.588	-	-	3.996.588
Expense From Investing Activities (-)	-	(37.361)	-	-	(37.361)
Shares of Investments Valuated with Equity	-940548	-	(6.607.870)	-	(7.548.418)
OPERATING PROFIT/LOSS	**15.499.888**	**841.929**	**- 886.127**	**1.527.690**	**13.928.000**
Finance Income	34.092.381	(879.290)	(136.669)	(1.396.808)	31.679.614
Financing Expenses (-)	(39.955.417)	37.361	427.831	2.924.498	(36.565.727)
PROFIT/ (LOSS) BEFORE	**9.636.852**	-	**(594.965)**	-	**9.041.887**
Tax Income/(Expense) From Operating Activities					
-Tax For Period	(4.296.413)	-	4.090	-	(4.292.323)
-Deferred Tax Income/ (Expense)	(1.549.827)	-	590.875	-	(958.952)
PROFIT/ (LOSS) FOR THE PERIOD	**3.790.612**	-	-	-	**3.790.612**
Allocation on Profit / (Loss) for the Period					
Non-Controlling Interests	3.775.148	-	-	-	3.775.148
Parent Company Share	15.464	-	-	-	15.464

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

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

A. Basic Standards of Presentation (continued)

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

				Parent Company's Share (%)	
Subsidiaries	Estahblishment and place of organization	Core business	Currency	31.12.2013	31.12.2012
Anel Yapı Gayrimenkul A.Ş.	Turkey	Real Estate Leasing	Turkish Liras	55,07	55,07
Anel Mekanik Tesisat Taahhüt A.Ş.	Turkey	Project Commitment	Turkish Liras	97,00	57,00
Anel Enerji Elek. Üretim San. Ve Tic. A.Ş.	Turkey	Energy	Turkish Liras	71,87	71,87
Anel Marin Gemi Elektrik Elektronik. Sist. Ticaret ve Sanayi A.Ş.	Turkey	Ship Elektirk-Electronics	Turkish Liras	93,00	93,00
Anel Ukrayna Ltd.	Ukrainian	Project Commitment	Ukraine Hryvnia (UAH)	100,00	100,00
Anel Dar Libya Constructing & Services LLC	Libya	Project Commitment	USA USD	65,00	65,00
Anel Engineering-Technological Company Ltd.Rusya	Russia	Project Commitment	USA USD	90,00	90,00
Dag-08 Ood	Bulgaria	Energy	Bulgarian Lev	100,00	100,00
Golden Sun Ood	Bulgaria	Energy	Bulgarian Lev	100,00	100,00
Anel BG Ltd	Bulgaria	Energy	Bulgarian Lev	100,00	100,00
Anel Emirates	United Arab Emirates	Project Commitment	ABD Doları	100,00	100,00

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

A. Basic Standards of Presentation (continued)

Consolidation Principles (continued)

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.

- 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.

Joint Ventures

Joint Ventures , the Company and its Subsidiaries and joint control by one or more other parties , to a contract for the adoption of an economic activity generated within the company refers to . Groups such joint control , he shares owned directly or indirectly by taking advantage of the offers .

Group from 1 January 2012 IFRS 11 is applied to all collective agreements . In accordance with IFRS 11 , joint arrangements investments in the contractual rights and obligations of investors , depending on the are classified as joint operations or joint ventures . The Company has evaluated the type of joint arrangement and that partnership has decided . Joint ventures are accounted for using the equity method .

Changes in accounting policies , Grup'n 1 January to 31 December 2012 dated statement of financial position and statement of comprehensive income effects " Comparative Information and Restatement of Prior Period Financial Statements " section shown . Change in accounting policy has no impact on earnings per share .

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

A. Basic Standards of Presentation (continued)

Affiliates
Investments in associates are accounted for using the equity method . They are 20 % of the voting rights of the Group owned 50% or the Group has power to exercise control over its operations , although there are organizations that have a significant impact .

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's share of associates and unrealized losses are also eliminated ; process , impairment of the asset transferred there is no indication that has been corrected . Group subsidiaries in connection with the said line a without liability or commitment does not have as long as the investment in an associate carrying value of zero, or the Group 's impact on the end of the equity method is discontinued . The date that significant influence ceases carrying value of the investment , after that date, the fair value of fair value can be reliably measured at cost otherwise is indicated .

Investment in an associate or joint venture, which forms part of the carrying amount of goodwill is not recognized as separate . IAS 39 according to the provisions in investment impairment may be cases, the investment's recoverable amount (value in use and fair value less sales costs by deducting the amount that is larger than) and the book value by comparing the investment all the book value IAS 36, based on diminution in value terms as a single entity tested .

The new standards, amendments and interpretations

The accounting policies adopted in preparation of the consolidated financial statements as at 31 December 2013 are consistent with those of the previous financial year, except for the adoption of new and amended TFRS and TFRIC interpretations effective as of 1 January 2013. The effects of these standards and interpretations on the Group's financial position and performance have been disclosed in the related paragraphs.

Standards and interpretations that are affective in 2013:

TFRS 7 Financial Instruments: Disclosures – Offsetting Financial Assets and Financial Liabilities (Amendment)

The amendment requires the disclosure of the rights of the entity relating to the offsetting of the financial instruments and some information about the related regulations (e.g., collateral agreements).
New disclosures would provide users of financial statements with information that is useful in

i) evaluating the effect or potential effect of netting arrangements on an entity's financial position and,
ii) analyzing and comparing financial statements prepared in accordance with TFRSs and other generally accepted accounting standards.

New disclosures have to be provided for all the financial instruments in the balance sheet that have been offset according to TAS 32. Such disclosures are applicable to financial instruments in the balance sheet that have not been offset according to TAS 32 but are available for offsetting according to main applicable offsetting regulations or other financial instruments that are subject to a similar agreement. The amendment affects disclosures only and did not have any impact on the consolidated financial statements of the Group.

TAS 1 Presentation of Financial Statements (Amended) – Presentation of Items of Other Comprehensive Income
The amendments to TAS 1 change only the grouping 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 amendment affects presentation only and did not have an impact on the financial position or performance of the Group.

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

A. Basic Standards of Presentation (continued)

TAS 19 Employee Benefits (Amended)

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 under other comprehensive income and making the distinction between short-term and other long-term employee benefits based on expected timing of settlement rather than employee entitlement. Since the Group recognizes the actuarial gain and loss in the other comprehensive income statement, the amendment of the standard with regards to the accounting of actuarial gain/loss did not have any impact on the financial position or performance of the Group.

TAS 27 Separate Financial Statements (Amended)
As a consequential amendment to TFRS 10 and TFRS 12, the POA also amended TAS 27, which is now limited to accounting for subsidiaries, jointly controlled entities, and associates in separate financial statements. This amendment did not have an impact on the financial position or performance of the Group.

TAS 28 Investments in Associates and Joint Ventures (Amended)
As a consequential amendment to TFRS 11 and TFRS 12, the POA also amended TAS 28, which has been renamed TAS 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 TFRS 11. This amendment did not have an impact on the financial position or performance of the Company.

TFRS 10 Consolidated Financial Statements
TFRS10, TAS 27 Consolidated and Separate Financial Statements address 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 did not have an impact on the financial position or performance of the Group.

TFRS 11 Joint Arrangements
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. This standard did not have an impact on the financial position or performance of the Company.

TFRS 12 Disclosure of Interests in Other Entities
TFRS 12 requires disclosures about an entity's interests in associates, joint ventures, subsidiaries and structured entities. This amendment did not have an impact on the financial position or performance of the Group.

TFRS 13 Fair Value Measurement

The new Standard provides guidance on how to measure fair value under TFRS but does not change when an entity is required to use fair value. It is a single source of guidance under TFRS for all fair value measurements. The new standard also brings new disclosure requirements for fair value measurements. The new disclosures are only required for periods beginning after TFRS 13 is adopted. Some of the disclosures about the financial instruments mentioned above, have to be provided in the interim condensed consolidated financial statements according to TAS 34.16 A (j). The Group has presented these disclosures in Note 39.This amendment did not have an impact on the interim consolidated financial statements of the Company.

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

A. Basic Standards of Presentation (continued)

New and revised standards and interpretations (continued)

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

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. This interpretation is not applicable for the Group and did not have any impact on the financial position or performance of the Group.

Transition Guidance (Amendments to TFRS 10, TFRS 11 and TFRS 12)
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 TFRS 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 TFRS 10 and TAS 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 TFRS 11 and TFRS 12 has also been amended to provide transition relief. These amendments did not have an impact on the consolidated financial statements of the Group.

Improvements to TFRSs
Annual Improvements to TFRSs – 2009 – 2011 cycle, which contains amendments to its standards, is effective for annual periods beginning on or after 1 January 2013. This project did not have an impact on the financial position or performance of the Group.

TAS 1 Financial Statement Presentation:

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

TAS 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

TAS 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.

TAS 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.

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

A. Basic Standards of Presentation (continued)

New and revised standards and interpretations (continued)

TAS 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 TAS 32 offsetting criteria to settlement systems (such as central clearing house systems) which apply gross settlement mechanisms that are not simultaneous. These amendments are to be retrospectively applied for annual periods beginning on or after 1 January 2014. The Group does not expect that these amendments will have significant impact on the financial position or performance of the Group.

TFRS 9 Financial Instruments – Classification and measurement

As amended in December 2012, the new standard is effective for annual periods beginning on or after 1 January 2015. Phase 1 of this new TFRS 9 introduces new requirements for classifying and measuring financial assets and liabilities. The amendments made to TFRS 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. The Group is in the process of assessing the impact of the amendment on financial position or performance of the Group.

The new standards, amendments and interpretations that are issued by the International Accounting Standards Board (IASB) but not issued by POA

The following standards, interpretations and amendments to existing IFRS standards are issued by the IASB but not yet effective up to the date of issuance of the financial statements. However, these standards, interpretations and amendments to existing IFRS standards are not yet adapted/issued to TFRS by the POA, thus they do not constitute part of TFRS. The Group will make the necessary changes to its consolidated financial statements after the new standards and interpretations are issued and become effective under TFRS.

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. The Group does not expect that this amendment will have any impact on the financial position or performance of the Group.

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

A. Basic Standards of Presentation (continued)

New and revised standards and interpretations (continued)

The new standards, amendments and interpretations that are issued by the International Accounting Standards Board (IASB) but not issued by POA (continued)

TFRIC Interpretation 21 Levies

The interpretation clarifies that an entity recognizes a liability for a levy when the activity that triggers payment, as identified by the relevant legislation, occurs. It also clarifies that a levy liability is accrued progressively only if the activity that triggers payment occurs over a period of time, in accordance with the relevant legislation. For a levy that is triggered upon reaching a minimum threshold, the interpretation clarifies that no liability should be recognized before the specified minimum threshold is reached. The interpretation is effective for annual periods beginning on or after 1 January 2014, with early application permitted. Retrospective application of this interpretation is required. The Group does not expect that this amendment will have any impact on the financial position or performance of the Group.

IAS 36 Impairment of Assets - Recoverable Amount Disclosures for Non-Financial assets (Amendment)

The IASB, as a consequential amendment to IFRS 13 Fair Value Measurement, modified some of the disclosure requirements in IAS 36 Impairment of Assets regarding measurement of the recoverable amount of impaired assets. The amendments required additional disclosures about the measurement of impaired assets (or a group of assets) with a recoverable amount based on fair value less costs of disposal. The amendments are to be applied retrospectively for annual periods beginning on or after 1 January 2014. The amendment has affected to disclosure principles. The Group does not expect that this amendment will have any impact on the financial position or performance of the Group.

IAS 39 Financial Instruments: Recognition and Measurement - Novation of Derivatives and Continuation of Hedge Accounting (Amendment)

In June 2013, the IASB issued amendments to IAS 39 Financial Instruments: Recognition and Measurement that provides a narrow exception to the requirement for the discontinuation of hedge accounting in circumstances when a hedging instrument is required to be novated to a central counterparty as a result of laws or regulations. The amendments are to be applied retrospectively for annual periods beginning on or after 1 January 2014.The Group does not expect that this amendment will have any impact on the financial position or performance of the Group.

IFRS 9 Financial Instruments – Hedge Accounting and amendments to IFRS 9, IFRS 7 and IAS 39 -IFRS 9 (2013)

In November 2013, the IASB issued a new version of IFRS 9, which includes the new hedge accounting requirements and some related amendments to IAS 39 and IFRS 7. Entities may make an accounting policy choice to continue to apply the hedge accounting requirements of IAS 39 for all of their hedging transactions. The standard does not have a mandatory effective date, but it is available for application now; a new mandatory effective date will be set when the IASB completes the impairment phase of its project on the accounting for financial instruments. The Group is in the process of assessing the impact of the amendment on financial position or performance of the Group.

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

A. Basic Standards of Presentation (continued)

New and revised standards and interpretations (continued)

Improvements to IFRSs

In December 2013, the IASB issued two cycles of Annual Improvements to IFRSs – 2010–2012 Cycle and IFRSs – 2011–2013 Cycle. Other than the amendments that only affect the standards' Basis for Conclusions, the changes are effective as of 1 July 2014. Earlier application is permitted.

Annual Improvements to IFRSs – 2010–2012 Cycle

IFRS 2 Share-based Payment:

Definitions relating to vesting conditions have changed and performance condition and service condition are defined in order to clarify various issues. The amendment is effective prospectively.

IFRS 3 Business Combinations

Contingent consideration in a business acquisition that is not classified as equity is subsequently measured at fair value through profit or loss whether or not it falls within the scope of IFRS 9 Financial Instruments. The amendment is effective for business combinations prospectively.

IFRS 8 Operating Segments

The changes are as follows: i) Operating segments may be combined/aggregated if they are consistent with the core principle of the standard. ii) The reconciliation of segment assets to total assets is only required to be disclosed if the reconciliation is reported to the chief operating decision maker. The amendments are effective retrospectively.

IFRS 13 Fair Value Measurement Decision Requirements

As clarified in the Basis for Conclusions, short-term receivables and payables with no stated interest rates can be held at invoice amounts when the effect of discounting is immaterial. The amendment is effective immediately.

IAS 16 Property, Plant and Equipment and IAS 38 Intangible Assets

The amendment to IAS 16.35(a) and IAS 38.80(a) clarifies that revaluation can be performed, as follows:
i) Adjust the gross carrying amount of the asset to market value or ii) determine the market value of the carrying amount and adjust the gross carrying amount proportionately so that the carrying amount equals to the market value. The amendment is effective retrospectively.

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

A. Basic Standards of Presentation (continued)

New and revised standards and interpretations (continued)

Improvements to IFRSs

Annual Improvements to IFRSs – 2010–2012 Cycle

IAS 24 Related Party Disclosures

The amendment clarifies that a management entity – an entity that provides key management personnel services – is a related party subject to the related party disclosures. The amendment is effective retrospectively.

Annual Improvements to IFRSs – 2011–2013 Cycle

IFRS 3 Business Combinations

The amendment clarifies that: i) Joint arrangements are outside the scope of IFRS 3, not just joint ventures ii) The scope exception applies only to the accounting in the financial statements of the joint arrangement itself. The amendment is effective prospectively.

IFRS 13 Fair Value Measurement

The portfolio exception in IFRS 13 can be applied to the contracts within the context of IAS 39, not just financial assets and financial liabilities. The amendment is effective prospectively.

IAS 40 Investment Property

The amendment clarifies the interrelationship of IFRS 3 and IAS 40 when classifying property as investment property or owner-occupied property. The amendment is effective prospectively. The group, the financial status of the standard and in the process of assessing the impact on the performance.

Resolutions promulgated by the Public Oversight Authority

In addition to those mentioned above, the POA has promulgated the following resolutions regarding the implementation of Turkish Accounting Standards. "The financial statement examples and user guide" became immediately effective at its date of issuance; however, the other resolutions shall become effective for the annual reporting periods beginning after 31 December 2012.

2013-1 Financial Statement Examples and User Guide

The POA promulgated "financial statement examples and user guide" on May 20, 2013 in order to ensure the uniformity of financial statements and facilitate their audit. The financial statement examples within this framework were published to serve as an example to financial statements to be prepared by companies obliged to apply Turkish Accounting Standards, excluding financial institutions established to engage in banking, insurance, private pensions or capital market. The Group has made the classification stated in Note 2.A in order to comply with the requirements of this regulation.

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

A. Basic Standards of Presentation (continued)

New and revised standards and interpretations (continued)

2013-2 Accounting of Combinations under Common Control

In accordance with the resolution it has been decided that i) combination of entities under common control should be recognized using the pooling of interest method, ii) and thus, goodwill should not be included in the financial statements and iii) while using the pooling of interest method, the financial statements should be prepared as if the combination has taken place as of the beginning of the reporting period in which the common control occurs and should be presented comparatively from the beginning of the reporting period in which the common control occurred.

2013-3 Accounting of Redeemed Share Certificates

Clarification has been provided on the conditions and circumstances when the redeemed share certificates shall be recognized as a financial liability or equity based financial instruments. This resolution did not have any impact on the consolidated financial statements of the Group.

2013-4 Accounting of Cross Shareholding Investments

If a subsidiary of an entity holds shares of the entity then this is defined as cross shareholding investment. Accounting of this cross investment is assessed based on the type of the investment and different recognition principles adopted accordingly. With this resolution, this topic has been assessed under three main headings below and the recognition principles for each one of them has been determined. i) the subsidiary holding the equity based financial instruments of the parent,
ii) the associates or joint ventures holding the equity based financial instruments of the parent
iii) the parent's equity based financial instruments are held by an entity, which is accounted as an investment within the scope of TAS 39 and TFRS 9 by the parent.

This resolution did not have any impact on the consolidated financial statements of the Group.

B. Changes in Accounting Policies

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

C. Changes in Accounting Estimates and Errors

Changes in accounting estimates, if only for one period, changes are made in the current period, if they relate to future periods, as well as in the period of change in future periods, are applied prospectively. Group in the current year has not been any significant changes in accounting estimates.

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

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:

(a) Will be presented by the parties and each party's enforceable rights regarding the service,
(b) Service charge,
(c) 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 provieded for goods sold.

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.

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

D. Summary of Significant Accounting Policies (continued)

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.

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.

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

D. Summary of Significant Accounting Policies (continued)

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 17).

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

D. Summary of Significant Accounting Policies (continued)

<u>Tangible Fixed Assets (continued)</u>

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.

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 17).

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.

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

D. Summary of Significant Accounting Policies (continued)

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.

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.

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 16).

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.

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

D. Summary of Significant Accounting Policies (continued)

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

Leases

Financial Leasing

- The Group as the leesee

The Group substantially all the risks and rewards of ownership of tangible assets taken on lease, are classified as finance leases. Financial leases are subject to finance lease at the inception of the lease at the fair value of fixed assets at the lower of the present value basis are included in tangible assets by taking. Arising from lease financing costs over the lease term so as to produce a constant periodic rate is spread over the lease term. In addition, leased fixed assets based on estimated useful lives are amortized through. A reduction in value of fixed assets subject to finance lease impairment provision is recognized if detected. Finance lease liabilities and related interest expense and foreign exchange differences are recognized in profit or loss statement. Lease payments from finance lease liabilities are deducted.
Operating Lease

- The group as the lessee

A significant portion of the risks and rewards of ownership are retained by the lessor that leases, are classified as operating leases. Under operating leases (net of any incentives received from the lessor after) the payments made, straight-line basis over the lease term on the profit or loss is recognized as an expense in the statement. The Group's activities conducted their own offices and warehouses are located in the business center, rent expense during the period of the lease expense is comprised of branches located in Baku.

- The group as the lessor

In an operating lease, the leased assets, property, land and investment properties held, except to the consolidated statement of financial position of tangible assets are classified and the resulting rental income during the leasing period in equal amounts in the consolidated profit or loss reflected in the statement. Straight-line basis over the lease term rental income in the consolidated profit or loss are recognized in the statement. His capacity as lessor if the lease agreements become a party to the main building where the Group operates and other non-consolidated group companies of investment properties and other non-group companies stems from a rented office and warehouse .

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.

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 38).

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.

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

D. Summary of Significant Accounting Policies (continued)

Financial Instruments (continued)

Financial assets (continued)

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.

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.

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

D. Summary of Significant Accounting Policies (continued)

Financial Instruments (continued)

Financial assets (continued)

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.

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.

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

D. Summary of Significant Accounting Policies (continued)

Financial Instruments (continued)

Financial assets (continued)

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.

Trade Payables

Trade payables in the ordinary activities of the suppliers of goods and services provided refers to payments to be made on. Trade payables are initially and subsequently at fair value calculated at the effective interest method are measured at amortized cost (Note 9).

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.

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

D. Summary of Significant Accounting Policies (continued)

Business Combinations (continued)

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.

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.

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

D. Summary of Significant Accounting Policies (continued)

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 37).

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 41).

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 24).

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

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

D. Summary of Significant Accounting Policies (continued)

Financial Information Segment Reporting

Reportable segment information required to be disclosed is a business segment or geographical segment . Industrial segments of a particular commodity or service or group of related goods or services , or to provide benefits in terms of risk and different from other parts of the Group are the features section . Geographical segments provide products or services within a particular economic environment of the Group and the risks and benefits in terms of the economic environment to another with different characteristics from those of components operating in other chapters .

The Group mainly abroad and in Turkey , electrical and mechanical project contracting, real estate in Turkey chartering, ship power electronics and solar energy in the areas in which it operates financial information for the segmental reporting this that performs the operations of the companies restructured by the electrical and mechanical project contracting, real estate leasing , power electronics and energy are reported under the headings of the ship .

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

Government Grants and Incentives

Government grants, donations will be received and the Group is obliged to comply with a reasonable assurance that it meets the conditions is recognized at the fair value (Note 22).

Government grants relating to costs, costs will meet their match in a consistent manner throughout the period is recognized as income.

Government grants relating to tangible fixed assets, non-current liabilities as deferred government grants and are classified under the straight-line basis over their useful lives are recorded as receivables in the statement of profit or loss.

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

D. Summary of Significant Accounting Policies (continued)

Taxation and Deferred Income Taxes

The tax expense for the year comprises current and deferred tax. Tax is recognized in the statement of profit or loss, except to the extent that it relates to items recognized directly in equity. In such case, the tax is also recognized in shareholders' equity. (Note 35).

The current income tax charge is calculated in accordance with the tax laws enacted or substantively enacted at the balance sheet date in the countries where the subsidiaries of the Group operate.

Deferred income tax is provided in full, using the liability method, on all temporary differences arising between the tax bases of assets and liabilities and their carrying values in the consolidated financial statements. Currently enacted tax rates are used to determine deferred income tax at the balance sheet date.

The principal temporary differences arise from the carrying values of property, plant and equipment and available-for-sale-investments and their historical costs, various provisions and unused tax allowances and exemptions.

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

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities, and deferred taxes relate to the same taxable entity and the same taxation authority.

Employee Benefits and Severance Pay

Employment termination benefits, as required by the Turkish Labor Law and the laws applicable in the countries where the subsidiaries operate, represent the estimated present value of the total reserve of the future probable obligation of the Company arising in case of the retirement of the employees, termination of employment without due cause, call for military service, be retired or death upon the completion of a minimum one year service. Provision which is allocated by using defined benefit pension's current value is calculated by using prescribed liability method. Actuarial gains and losses are recognized as other comprehensive income or loss in shareholders' equity in the period in which they arise (Note 25).

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

D. Summary of Significant Accounting Policies (continued)

Reporting of cash flows

The Company'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 Company. 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 Company 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.

Dividends

Ordinary shares, are classified as equity. Dividends payable are declared as an element of profit in the period are reflected as liabilities in the financial statements.

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:

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.

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

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

E. Evaluation of Significant Accounting Estimates and Assumptions (continued)

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.

The estimates used in the main notes are as follows:
Not 9 – Trade Receivables
Not 14 – Construction Contracts
Note 24 - Provisions, contingent assets and liabilities
Note 26 - Provisions for Employee benefits
Note 36 - Tax assets and liabilities

3.BUSINESS COMBINATION

Get Subsidiaries

	Field of the Activity	Purchase Date	Participation share (%)	The consideration transferred
Anel Mekanik Tesisat Taahhüt A.Ş.	Project Commitment	24.06.2013	97	6.662.640 TL

As of the date of purchase of assets acquired and the liabilities assumed

Prior to buying 57% in the Group's subsidiaries which purchase new shares after the share was 97%. Subsidiaries in prior periods financial statements have been included with the full consolidation method. Therefore, a new process of acquisition, the assets acquired and liabilities incurred has not led to any changes in the amounts.Non-controlling interest.

Get 3% in subsidiary non-controlling interests, the company received during the calculation of the goodwill of the fair value of the identifiable assets and liabilities have been accounted for by the ratio.

Goodwill arising during purchase

	Subsidiaries
The consideration transferred	6.662.640
Plus: Non-controlling interest	131.371
Less: Get the Company's Net Assets at Fair Value	(1.096.139)
Goodwill	7.890.150

The consideration transferred for the acquisition will create synergies, revenue growth and future market growth and the benefits to be received as a result of the company's work force are also included. Because of these benefits meet the criteria for identifiable assets have not been recognized separately from goodwill.

3.BUSINESS COMBINATION (continued)

The effect of the acquisition on the Group result

This business combination had taken place on 1 January 2013 was the Group's revenue related to continuing operations unchanged, although the resulting net profit from continuing operations would have been TL 588.071. The Company manages these pro-forma combined figures provide an estimate on the group's annual performance and create a reference in future periods are expecting that to make comparisons.

4. JOINT VENTURES

Which came into force from 1 January 2013 IFRS -11 " Joint Arrangements" standard IAS 31 " Interests in Joint Ventures " standard has been completely remove the application . The new joint arrangements standard ; joint operations and joint ventures and partnerships as divided into two categories accounted for using the equity method is imperative to keep .

In this context, the Group's jointly controlled Anelmep Maintenance and Operations LLC , Anel Kingdom of Saudi Arabia , Turkges Energy Electricity Generation Industry and Trade . Co., Avek Solar Manufacturing Industry Trade Co., Energi to OOO Bonev and Anel - Sera Joint Venture IAS - 28 " Investments in Associates and Joint Ventures " standard according to the equity method accounted for by the by has restated (Note 2). This company Explanations are given in note 15 .

The Group's subsidiaries' business activities , information on the country of registration and ownership rates are disclosed in Note 1 .

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.
.

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

5.SEGMENT REPORTING (continued)

31.12.2013	Project Commitment	Property Rental	Electrical and Electronics	Energy	Consolidation Adjustments	Total
Net Revenue Non-Group	443.862.383	9.759.260	566.141	5.553.153	-	459.740.937
Group revenue	11.372.476	553.565	14.404	34.101	(11.974.546)	-
Total Net Revenue	455.234.859	10.312.825	580.545	5.587.254	(11.974.546)	459.740.937
Cost of Sales (-)	(414.170.487)	(1.842)	(681.408)	(3.306.877)	11.645.635	(408.355.927)
Gross Profit / Loss	41.064.372	10.310.983	(100.863)	2.280.377	(328.911)	51.385.010
General and Administrative Expenses (-)	(21.479.190)	(1.214.360)	(279.242)	(1.682.162)	704.098	(23.950.856)
Marketing, Sales and Distribution Expenses (-)	-	-	-	(625.853)	-	(625.853)
Other Operating Income	11.671.354	1.698.277	66.708	1.237.706	(443.218)	14.230.827
Other Operating Expenses	(13.723.055)	(1.074.515)	(24.061)	(801.765)	(15.250)	(15.638.646)
Operating Profit / (Loss)	17.533.481	7.879.437	(337.458)	408.303	(83.281)	25.400.482
Income from Investment Operations	938.992	17.701.483	1.621	1.043	(74.506)	18.568.633
Investment Operations Expenses (-)	-	-	-	-	-	-
Equity Method Investments Profit / (Loss) 's Shares	(4.274.334)	(24.814)	-	(914.524)	-	(5.213.672)
Finance Income and Expense Pre-Operating Profit / (Loss)	14.198.139	25.556.106	(335.837)	(505.178)	(157.787)	38.755.443
Finance Income	89.070.818	9.447.823	805.069	2.584.588	(2.310.217)	99.598.081
Financing Expenses (-)	(94.086.029)	(31.712.355)	(791.172)	(5.652.208)	2.378.248	(129.863.516)
FROM CONTINUING OPERATIONS BEFORE TAXES INCOME (LOSS)	9.182.928	3.291.574	(321.940)	(3.572.798)	(89.756)	8.490.008
Continuing Operations Tax Income / (Expense)						
-Current Tax Income/(Expense)	(6.792.169)	-	-	(6.418)	-	(6.798.587)
-Deferred Tax Income/(Expense)	2.595.659	4.180.205	631	15.491	14.901	(1.553.523)
PROFIT / (LOSS)	4.986.418	7.471.779	(321.309)	(3.563.725)	(74.855)	137.898
Investment Expenditures						
Investment Properties	-	-	-	-	-	-
Tangible Assets	1.979.846	197.353	-	7.647	-	2.184.846
Intangible Assets	33.231	-	-	-	-	33.231
Depreciation Expenses	1.818.400	458.598	299	933.678		3.210.975
Amortization	714.008	1.071	-	44.955		760.034
Other Information						
- Total Assets	746.206.590	160.837.393	1.830.481	35.075.379	(116.633.541)	827.316.302
- Resources Total	746.206.590	160.837.393	1.830.481	35.075.379	(116.633.541)	827.316.302

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

5.SEGMENT REPORTING (continued)

31.12.2012	Project Commitment	Property Rental	Electrical and Electronics	Energy	Consolidation Adjustments	Total
Net Revenue Non-Group	276.011.856	11.739.940	1.754.320	20.960.840	(19.055.835)	291.411.121
Group revenue	269.467	319.193	58.157	2.906.069	(3.552.886)	-
Total Net Revenue	276.281.323	12.059.133	1.812.477	23.866.909	(22.608.721)	291.411.121
Cost of Sales (-)	(244.130.840)	(3.154.145)	(1.535.482)	(16.564.414)	17.909.787	(247.475.094)
Gross Profit / Loss	32.150.483	8.904.988	276.995	7.302.495	(4.698.934)	43.936.027
General and Administrative Expenses (-)	(22.652.595)	(1.866.361)	(270.709)	(2.118.550)	763.596	(26.144.619)
Marketing, Sales and Distribution Expenses (-)	-	-	-	(929.687)	-	(929.687)
Other Operating Income	2.643.923	619.840	113.912	806.158	(245.541)	3.938.292
Other Operating Expenses	(2.699.347)	(202.765)	(93.305)	(273.698)	(13.707)	(3.282.822)
Operating Profit / (Loss)	9.442.464	7.455.702	26.893	4.786.718	(4.194.586)	17.517.191
Income from Investment Operations	821.019	3.165.886	5.753	3.930	-	3.996.588
Investment Operations Expenses (-)	(37.361)	-	-	-	-	(37.361)
Equity Method Investments Profit / (Loss) 's Shares	(6.488.680)	(597.556)	-	(462.182)	-	(7.548.418)
Finance Income and Expense Pre-Operating Profit / (Loss)	3.737.442	10.024.032	32.646	4.328.466	(4.194.586)	13.928.000
Finance Income	20.512.008	9.521.455	403.564	1.534.385	(291.798)	31.679.614
Financing Expenses (-)	(20.808.157)	(11.964.856)	(412.449)	(3.663.434)	283.169	(36.565.727)
FROM CONTINUING OPERATIONS BEFORE TAXES INCOME (LOSS)	3.441.293	7.580.631	23.761	2.199.417	(4.203.215)	9.041.887
Continuing Operations Tax Income / (Expense)						
-Current Tax Income/(Expense)	(3.880.106)	-	(839)	(411.378)	-	(4.292.323)
-Deferred Tax Income/(Expense)	532.909	(2.132.669)	(7.739)	158.707	489.840	(958.952)
PROFIT / (LOSS)	94.096	5.447.962	15.183	1.946.746	(3.713.375)	3.790.612
Investment Expenditures						
Investment Properties	-	-	-	-	-	-
Tangible Assets	1.411.401	133.616	-	13.693.669	(3.961.865)	11.276.821
Intangible Assets	1.827.278	16.100	-	-	-	1.843.378
Depreciation Expenses	1.482.612	449.293	784	403.700	-	2.336.389
Amortization	186.170	1.072	-	-	-	187.242
Other Information						
- Total Assets	463.779.907	146.780.944	2.058.600	32.724.240	(77.364.633)	567.979.058
- Resources Total	463.779.907	146.780.944	2.058.600	32.724.240	(77.364.633)	567.979.058

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

5.SEGMENT REPORTING (continued)

Geographical Segments

01.01.-31.12.2013	Turkey	Qatar	Georgşia	Ukraina	Russia	Bulgaria	Azerbaijan	Libya	United Arab Emirates	Elimination	Total
Gains	249.406.025	88.699.008	-	-	58.277.672	3.717.017	31.742.684	-	39.873.077	(11.974.546)	459.740.937
Ongoing Construction Contracts Related Assets	61.818.439	66.404.508	-	-	4.123.941	-	4.777.833	-	30.868.150	-	167.992.871
Segment Assets	591.309.883	213.647.404	-	1.044.854	19.038.214	31.347.914	49.712.361	352.557	77.529.605	(156.666.490)	827.316.302
Capital Expenditures	914.155	47.559	-	-	572.633	4.479	357.817	-	321.434	-	2.218.077

01.01.-31.12.2012	Turkey	Qatar	Georgşia	Ukraina	Russia	Bulgaria	Azerbaijan	Libya	United Arab Emirates	Elimination	Total
Gains	132.183.291	137.613.781	1.459.903	-	5.169.052	23.422.854	14.393.010	-	-	(22.830.770)	291.411.121
Ongoing Construction Contracts Related Assets	33.961.081	92.603.902	-	-	-	-	1.501.980	-	-	-	128.066.963
Segment Assets	459.481.020	210.305.050	202.974	872.679	4.216.407	24.355.898	8.675.356	352.557	606.423	(141.089.306)	567.979.058
Capital Expenditures	2.291.779	572.644	-	-	531.274	13.686.367	-	-	-	(3.961.865)	13.120.199

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

5.SEGMENT REPORTING (continued)

Period 01.01.-31.12.2013 and 01.01.-31.12.2012 the Group acquired 10% or more of revenue by business segments is as follows for the customers make..

			01.01.-31.12.2013
Segment Information	**Subject**	**Amount in Gross Revenue In**	**Share of Gross Revenue**
Project Commitment	Project Commitment	129.250.526	28%
Property Rental	Rent	3.044.405	30%
Ship Electrical And Electronic	Sale of Services	109.345	19%
Ship Electrical And Electronic	Materials and Workmanship	308.368	53%

			01.01.-31.12.2012
Segment Information	**Subject**	**Amount in Gross Revenue In**	**Share of Gross Revenue**
Project Commitment	Project Commitment	83.125.777	30%
Property Rental	Rent	2.381.579	20%
Ship Electrical And Electronic	Maintenance and Repair Work	561.938	31%
Ship Electrical And Electronic	Materials and Workmanship	668.235	37%

6. CASH AND CASH EQUIVALENTS

	31.12.2013	31.12.2012
Cash	293.147	74.753
Banks	43.968.794	15.574.296
-Demand Deposit	41.295.993	14.348.017
-Deposit with maturities less than three mounths	2.672.801	1.226.279
Other Cash and Cash Equivalents	2.215.928	8.347
Total	46.477.869	15.657.396

31.12.2013 tarihi itibariyle vadeli mevduat bulunmamaktadır. -There are no time deposits as of 31.12.2013. Residual terms for the time deposits are as follow as of 31.12.2013 and 31.12.2012.

Currency	Interest Rate(%)	31.12.2013	Interest Rate(%)	31.12.2012
TRY	2,00 - 6,50	215.013	-	-
USD	0,35 - 0,50	2.328.581	0,85 - 2,34	1.072.093
EUR	0,20	129.207	0,43	154.186
Total Time Deposit		2.672.801		1.226.279

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

7. FINANCIAL ASSETS

Short-Term Financial Assets

None (31.12.2012: None).

Long Term Financial Assets	31.12.2013	31.12.2012
There is an no active market carried at cost for Financial Assets	46.296	46.296
Total	46.296	46.296

There is an no active market carried at cost for Financial Assets

	31.12.2013	31.12.2012
Stocks		
Unquoted shares	46.296	46.296
Total	46.296	46.296

Information on the nature and level of risks in financial assets 39 disclosed in the notes.

Located above TRY 46.296 (2012: TRY 46.296) 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.

8. FINANCIAL LIABILITIES

	31.12.2013	31.12.2012
a) Bank Loans	191.661.702	120.698.702
b) Lease Obligations	79.656	401.519
Total	191.741.358	121.100.221

a) Bank Loans:

			31.12.2013	
Currency	Average Interest Rate (%)	Short Term	Long-Term Loans Short-Term Portion Of	Long Term
TRY	10,16	76.915.075	-	-
USD	4,00	682.976	-	-
EUR	5,51	5.412.092	16.873.787	91.777.772
Total		83.010.143	16.873.787	91.777.772

			31.12.2012	
Currency	Average Interest Rate (%)	Short Term	Long-Term Loans Short-Term Portion Of	Long Term
TRY	9,09	18.805.457	-	-
USD	9,94	2.242.717	-	-
EUR	5,55	2.878.531	10.474.242	86.297.755
Total		23.926.705	10.474.242	86.297.755

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

	31.12.2013	31.12.2012
Paid within one year	99.883.930	34.400.947
2 - 3 years to be paid	29.187.959	18.419.097
3 - 4 years to be paid	13.703.961	19.791.371
4 - 5 years to be paid	13.149.855	11.032.366
5 year and longer term	35.735.997	37.054.921
Total	191.661.702	120.698.702

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

8. FINANCIAL LIABILITIES (continued)

a) Bank Loans:

Below, significant bank borrowings of the Group are summarized:

- A loan of EUR 29.129.964 (2012: EUR 32.660.871). Credit was used in 13 October 2010. Loan repayments have been started in 13 October 2011 expiration date, which will continue until 13 October 2020. The average effective interest rate of the loan, 5.25% tr. Credits, from the Group's investment properties amounting to EUR 48 million on Anel Business Center is secured by mortgages.

The fair value of short term debt, the effect of the undiscounted cash flows is equal to the carrying amount is immaterial.
b) Lease Obligations:

And the sum of the present value of the minimum lease payments:

Finance lease liabilities as at 31.12.2013 and 31.12.2012 are as follows;

31.12.2013	TRY	TRY	TRY	TRY
	Less than 1 year	1 year less than 5 year	More than 5 years	Total
The Amount of the Minimum Lease Payment				
TRY Financial Leases	81.515	-	-	81.515
Total	81.515	-	-	81.515
The Present Vaue of the Payments				
TRY Financial Leases	79.656	-	-	79.656
Total	79.656	-	-	79.656

31.12.2012	TRY	TRY	TRY	TRY
	Less than 1 year	1 year less than 5 year	More than 5 years	Total
The Amount of the Minimum Lease Payment				
TRY Financial Leases	376.410	68.083	-	444.493
Total	376.410	68.083	-	444.493
The Present Vaue of the Payments				
TRY Financial Leases	334.989	66.530	-	401.519
Total	334.989	66.530	-	401.519

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:

The Net Value	31.12.2013	31.12.2012
Fixtures (net)	627.878	737.690

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% (2012: 16%).

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

9. TRADE RECEIVABLES/ PAYABLES

a) Trade Receivables:

The Group's trade receivables at the balance sheet date are as follows:

Short-Term Trade Receivables	31.12.2013	31.12.2012
Buyers	115.726.188	58.348.522
Notes Receivables	2.093.576	1.985.083
Less: Unearned Finance Expence	(7.449)	(22.961)
Income Accruals	1.796	326
Provision for Doubtful Receivables(*)	846.825	4.454.457
Less: Provision for Doubtful Receivables	(846.825)	(4.454.457)
Employers Held by Financial Guarantees	56.164.610	41.025.926
Receivables from construction contracts (Note 15)	167.992.871	128.066.963
Dec total	*341.971.592*	*229.403.859*
Receivables from related parties (Note 38)	16.526.880	11.767.165
Total	358.498.472	241.171.024

31.12.2013 As of TL denominated short-term trade receivables securities calculated for unearned finance income is used for the effective weighted average interest rate of 7.89% and will receive the weighted average maturity of one month (2012: 6.10% 1.5 months).

There is no collateral for trade receivables from Undue.

As of 31 December 2013, trade receivables of TRY 846.825 (2012: TRY 4.454.457) is a provision for doubtful receivables amounting to

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:

	31.12.2013	31.12.2012
Beginning of the period	4.454.457	385.342
Provisions During the period	615.664	4.218.999
Cancelled	(4.225.968)	(149.984)
Translation Differences	2.672	100
End of the period	846.825	4.454.457

Long-term trade receivables

None. (31.12.2012: None).

Information on the nature and level of risk in trade receivables is described in detail in Note 39.

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

9. TRADE RECEIVABLES/ PAYABLES (continued)

b) Trade Payables:

The Group's trade payables at the balance sheet date are as follows:

Short-Term Trade Payables	31.12.2013	31.12.2012
Sellers	53.647.172	47.017.264
Debt Securities and Given Cheques	4.800.935	1.739.402
Less :Interest expense	(1.308)	(16.799)
Income Accruals	12.465.789	1.590.226
Liabilities from construction contracts (Note 15)	7.839.339	7.291.942
Dec Total	*78.751.927*	*57.622.035*
Trade payables to related parties (Note 38)	4.793.648	713.646
Total	83.545.575	58.335.681

Maturity debt securities, which ended after the balance sheet date, the average effective interest rate for the 0,28% is. (31.12.2012: $ and EUR% 0,56)).

Long-Term Trade Payables	31.12.2013	31.12.2012
Trade payables to related parties (Note 38)	-	160.052
Total	-	160.052

Note 38 Related party receivables and payables to related parties are shown in.

Trade payables are disclosed in Note 39 to the nature and level of risks are described in detail.

10. OTHER RECEIVABLES AND PAYABLES

Other Short-Term Receivables	31.12.2013	31.12.2012
Deposits and Guarantees Given	1.431.241	675.880
Due From Personel	24.629	24.063
Other Doubtful Receivables (*)	34.526	33.193
Less: Provision of Other Doubtful Receivables	(34.526)	(33.193)
Other Receivables	9.029.924	5.029.993
Dec total	*10.485.794*	*5.729.936*
Other receivables from related parties (Note 38)	54.824.035	17.359.469
Total	65.309.829	23.089.405

(*) Other movement of Doubtful Receivables is as follows:

	31.12.2013	31.12.2012
Beginning of the period	33.193	40.389
Provisions During the period	-	-
Less: Charged In The Period The	-	(7.196)
Translation Differences	1.333	-
End of the period	34.526	33.193

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

10. OTHER RECEIVABLES AND PAYABLES (continued)

Other Long-Term Receivables	31.12.2013	31.12.2012
Deposits and Guarantees Given	50.009	50.009
Dec total	*50.009*	*50.009*
Other receivables from related parties (Note 38)	-	400.000
Grand Total	50.009	450.009

Other Shorts-Term Receivables	31.12.2013	31.12.2012
Deposits and Guarantees Given	2.249.406	1.449.204
Taxes and Charges	2.472.939	1.288.856
Other Payables	541.204	8.998.557
Dec Total	*5.263.549*	*11.736.617*
Other payables to related parties (No. 38)	3.421.646	2.659.949
Total	8.685.195	14.396.566

11. DERIVATIVE INSTRUMENTS

None (31.12.2012: None).

12. INVENTORIES

	31.12.2013	31.12.2012
Raw materials and suplies	26.979.665	30.536.925
Products	17.585	37.656
Goods	36.865	24.963
Other Inventories	-	2.783
Provision for inventory impairment (-)	(368.789)	-
Total	26.665.326	30.602.327

Group, stocks have been subject to an impairment test as of balance sheet date and net realizable value below cost in the remaining stock is TL 368.789 (31.12.2012: None). As of December 31, 2013 the net realizable value of inventories of the total amount is TL 26.665.326 (31.12.2012: TL 30.602.327).

Movements in the provision for impairment of inventories	01.01.-31.12.2013	01.01.-31.12.2012
Opening balance	-	-
Charge For The Period	368.789	-
Closing balance	368.789	-

Distribution Inventory Impairment	01.01.-31.12.2013	01.01.-31.12.2012
Raw materials and suplies	368.789	-
Raw materials	-	-
Products	-	-
Goods	-	-
Total	368.789	-

As of December 31, 2013 There are no inventory pledged as collateral for the loans (31.12.2012: None).

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

13. PREPAID EXPENSES AND DEFERRED REVENUES

Short-Term Prepaid Expenses	31.12.2013	31.12.2012
For Inventories Advances To Suppliers	3.925.607	5.601.790
Other Advances	9.221.358	6.128.633
Prepaid Expense for the Fallowing Months	904.271	705.743
Given To Related Parties Advances	-	198.095
Total	14.051.236	12.634.261

Long-Term Prepaid Expenses	31.12.2013	31.12.2012
Advances given for fixed assets	-	111.425
Prepaid Expense for the Fallowing Years	2.394.582	-
Total	2.394.582	111.425

Short-Term Deferred Income	31.12.2013	31.12.2012
Advances Received	129.722.494	60.915.357
Deferred Income	20.981.938	1.464.403
From Related Parties Advances Received	25.622	-
Total	150.730.054	62.379.760

Long-Term Deferred Income	31.12.2013	31.12.2012
Deferred Income	1.531.171	1.680.197
Total	1.531.171	1.680.197

14. CONSTRUCTION CONTRACTS

	31.12.2013	31.12.2012
Assets Construction Contracts In Progress	167.992.871	128.066.963
Total	167.992.871	128.066.963

Assets related to construction projects in progress are as follows:

	31.12.2013	31.12.2012
Assets related to the ongoing construction contracts	167.992.871	128.066.963
Domestic Assets related to construction contracts	8.372.021	8.611.267
Domestic unvested assets related to construction contracts (*)	53.446.417	25.349.813
Foreign Assets related to construction contracts	6.048.152	-
Overseas construction contracts related to unvested assets (*)	100.126.281	94.105.883

(*) 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:

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

14. CONSTRUCTION CONTRACTS

Liabilities related to construction projects in progress are as follows:

	31.12.2013	31.12.2012
Ongoing Construction Contracts Liabilities	7.839.339	7.291.942
Total	7.839.339	7.291.942

	31.12.2013	31.12.2012
Liabilities related to ongoing construction contracts	7.839.339	7.291.942
Domestic progress payments related to construction contracts	69.291	-
Domestic over-invoiced portion related to construction contracts	274.593	2.007.931
Foreign progress payments related to construction contracts	-	-
Over-invoiced portion related to construction contracts abroad	7.495.455	5.284.011

Guarantees given and received for the projects described in Note 24.

The Group as of 31 December 2013 regarding the ongoing construction contracts have taken the total amount of short-and long-term advances TL 129.464.934 (31 December 2012: TL 60.695.514) .

15. INVESTMENTS ACCORDING TO EQUITY METHOD

Details of subsidiaries and associates partnerships according to equity method evaluation as of December 31, 2013 and December 31, 2012 are as follows;

	Participation Rate (%)	31.12.2013	Participation Rate (%)	31.12.2012
Anel Telekomünikasyon Elekt. Sist. San. ve Tic. A.Ş.(*)	26,59	8.156.577	27,41	12.185.506
Goodwill		16.466.160		16.466.160
Impairment Of Goodwill (-)		(5.364.216)		(5.364.216)
Pay received for the change in share holder's equity		8.713		(19.020)
The Sale Of The Shares		(329.571)		-
Total		18.937.663		23.268.430

(*) On the BIST traded at Anel Telecommunications and Electronic Systems Industry and Trade Inc. As of December 30, 2013 issued by the ISE best bid among current orders pending the settlement price per unit of TRY 2,23 evaluated in price over the fair value of TRY 29.644.046. (31.12.2012: TRY 21.381.819)

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

15. INVESTMENTS ACCORDING TO EQUITY METHOD

Details of investments according to equity method evaluation are as follows;

	Participation Rate (%)	31.12.2013	Participation Rate (%)	31.12.2012
Anel Telekomünikasyon Elekt. Sist. San. ve Tic. A.Ş.	26,59	18.937.663	27,41	23.268.430
Anelmep Maintenance and Operations LLC	30,00	(1.976.983)	30,00	(1.747.749)
Anel Kingdom of Saudi Arabia	35,00	(5.673.423)	35,00	(5.256.872)
Turkges Enerji Elektrik Üretim San.ve Tic.A.Ş.	-	-	49,50	40.985
Avek Solar Üretim Sanayi Ticaret A.Ş.	49,98	(823.839)	49,98	94.732
Energina Kompania Bonev	50,00	17.968	50,00	(24.445)
Anel-Sera Adi Ortaklığı	70,20	(15.630)	70,20	9.184
Total		10.465.756		16.384.265

Accounted for using the equity method associates and joint ventures other related assets, liabilities, equity, revenues and profit and loss information is listed below;

31.12.2013

	Total Assets	Total Liabilities	Equity Attributable to Parent	Non-controlling interest	Revenue	Profit / (Loss)
Anel Telekomünikasyon Elekt. Sist. San. ve Tic. A.Ş.	179.629.159	128.080.408	30.675.355	20.873.396	33.719.193	(13.650.394)
Anelmep Maintenance and Operations LLC	30.312.392	36.902.334	(6.589.942)	-	14.486.263	385.300
Anel Kingdom of Saudi Arabia	111.877.695	128.087.474	(16.209.779)	-	43.140.911	(2.223.577)
Avek Solar Üretim Sanayi Ticaret A.Ş.	4.130.913	5.779.251	(1.648.338)	-	373.531	(1.829.780)
Energina Kompania Bonev	9.091.761	9.055.825	35.936	-	1.298.902	35.936
Anel-Sera Adi Ortaklığı	1.632.188	1.654.455	(22.267)	-	-	(35.348)

31.12.2012

	Total Assets	Total Liabilities	Equity Attributable to Parent	Non-controlling interest	Revenue	Profit / (Loss)
Anel Telekomünikasyon Elekt. Sist. San. ve Tic. A.Ş.	179.191.605	113.383.752	44.456.426	21.351.427	39.389.674	(3.431.403)
Anelmep Maintenance and Operations LLC	199.023	6.024.853	(5.825.830)	-	669.853	(231.623)
Anel Kingdom of Saudi Arabia	34.598.663	49.618.297	(15.019.634)	-	35.581.109	(15.496.354)
Turkges Enerji Elektrik Üretim San.ve Tic.A.Ş.	83.441	642	82.799	-	-	(4.739)
Avek Solar Üretim Sanayi Ticaret A.Ş.	4.513.357	4.324.262	189.460	-	3.060.006	(902.563)
Energina Kompania Bonev	8.190.596	8.239.486	(48.890)	-	673.056	(109.842)
Anel-Sera Adi Ortaklığı	1.702.782	1.689.701	13.081	-	-	(851.220)

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

16. INVESTMENT PROPERTY

Fair Value	1.1.2013 Opening Balance	Additions	Output	Transfers	Value Increase	31.12.2013 Closing Balance
Land and Buildings	120.630.071	-	(663.000)	41.293	17.525.494	137.533.858
Investment Properties	120.630.071				17.525.494	137.533.858

Fair Value	1.1.2012 Opening Balance	Additions	Output	Transfers	Value Increase	31.12.2012 Closing Balance
Land and Buildings	117.239.553	-	-	39.518	3.351.000	120.630.071
Investment Properties	117.239.553					120.630.071

Anel Group Business Centre building in Ümraniye investment properties, the Group is not affiliated with the CMB licensed independent valuation firm Artı Gayrimenkul Değerleme ve Danışmanlık A.Ş. 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 31 December 2013 by TRY 130.600.000 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 552.866 of the net fair value of the tangible fixed assets, other than that reported in the remaining sections of the investment properties is TRY 130.047.134.

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 respectively by the reports are valued. The fair values of the properties in question, respectively, reports held TRY 2.676.000 and TRY 3.647.000 has been recognized as.

At balance sheet date, investment property, property, building or development, maintenance, repair or remediation obligations arising from contracts available.

In the current period, TRY 10.312.825 has rental income from investment properties 1.842.790 Total direct operating expenses related to this property Eur 48 million on the Group's investment properties are mortgaged.

As of 12/31/2013, TRY 119.133.851 on investment properties (31.12.2012: TRY 96.151.602), insurance coverage is available.

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

17. PROPERTY, PLANT AND EQUIPMENT

31.12.2013

Cost	Land	Land Improvements	Buildings	Machinery, Equipment and installations	Motor Vehicles	Furniture and Fixtures	Special Costs	Tangible Assets	Ongoing Invesment	Total
Openin Balance	1.269.221	122.096	555.769	15.116.009	758.469	10.387.734	480.772	212.731	2.790.216	31.693.017
Foreign Currency Translation Differences	33.055	24.089	-	4.978.126	51.321	737.260	(32.590)	10.668	-	5.801.929
Purchases	-	-	-	616.198	201.348	1.362.821	-	4.479	-	2.184.846
Sales	-	-	-	-	-	-	-	-	-	-
Investment property transfers (**)	-	-	(41.293)	-	-	-	-	-	-	(41.293)
Valuation	-	-	38.390	-	-	-	-	-	-	38.390
Transfers from construction in progress	-	-	-	2.790.216	-	-	-	-	(2.790.216)	-
Closing Balance	**1.302.276**	**146.185**	**552.866**	**23.500.549**	**1.011.138**	**12.487.815**	**448.182**	**227.878**	**-**	**39.676.889**
Accumulated Depreciation and Impairment										
Openin Balance	-	(31.246)	(20.866)	(1.454.258)	(259.791)	(6.656.683)	(426.307)	(123.366)	-	(8.972.517)
Foreign Currency Translation Differences	-	(6.168)	-	(290.511)	(21.289)	(542.976)	-	(601)	-	(861.545)
Charge For The Period	-	(7.329)	-	(1.559.141)	(208.069)	(1.431.329)	(1.820)	(3.286)	-	(3.210.974)
Outputs	-	-	-	-	-	-	-	-	-	-
Valuation	-	-	20.866	-	-	-	-	-	-	20.866
Closing Balance	**-**	**(44.743)**	**-**	**(3.303.910)**	**(489.149)**	**(8.630.988)**	**(428.127)**	**(127.253)**	**-**	**(13.024.170)**
Fixed assets, net	1.302.276	101.442	552.866	20.196.639	521.989	3.856.827	20.055	100.625	-	26.652.719

As of 31.12.2013, on Tangible Assets USD 4.586.550 and TRY 50.340 TL (31.12.2012: USD 339.444 and TRY 5.641.225) 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 16).

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

17. PROPERTY, PLANT AND EQUIPMENT (continued)

31.12.2012

Costs	Land	Land Improvements	Buildings	Machinery, Equipment and installations	Motor Vehicles	Furniture and Fixtures	Special Costs	Tangible Assets	Ongoing Invesment	Total
The effect of changes in IFRS 11 standard	1.286.751	129.376	580.984	3.201.158	334.041	10.185.770	480.772	160.074	4.894.370	21.253.296
As previously reported January 1, 2012	(8.943)	-	-	(6.410)	-	(156.822)	-	-	(22.656)	(194.831)
Opening Balance	1.277.808	129.376	580.984	3.194.748	334.041	10.028.948	480.772	160.074	4.871.714	21.058.465
Foreign Currency Translation Differences	(8.587)	(7.280)	-	(172.159)	(4.030)	(222.569)	-	(1.323)	(203.468)	(619.416)
Purchases	-	-	-	879.600	428.458	578.993	-	53.980	9.335.790	11.276.821
Outputs	-	-	-	-	-	2.362	-	-	-	2.362
Transfers from investment property	-	-	(39.518)	-	-	-	-	-	-	(39.518)
Value increase / (decrease)in	-	-	14.303	-	-	-	-	-	-	14.303
Transfers from construction in progress	-	-	-	11.213.820	-	-	-	-	(11.213.820)	-
Closing Balance	**1.269.221**	**122.096**	**555.769**	**15.116.009**	**758.469**	**10.387.734**	**480.772**	**212.731**	**2.790.216**	**31.693.017**
Accumulated Depreciation and Impairment										
The effect of changes in IFRS 11 standard	-	(26.623)	(21.813)	(640.468)	(144.680)	(5.982.004)	(394.465)	(121.348)	-	(7.331.401)
As previously reported January 1, 2012	-	-	-	854	-	68.141	-	-	-	68.995
Opening Balance	-	(26.623)	(21.813)	(639.614)	(144.680)	(5.913.863)	(394.465)	(121.348)	-	(7.262.406)
Foreign Currency Translation Differences	-	1.498	-	30.541	2.754	125.280	-	366	-	160.439
Charge For The Period	-	(6.121)	-	(845.185)	(117.865)	(1.332.992)	(31.842)	(2.384)	-	(2.336.389)
Outputs	-	-	-	-	-	-	-	-	-	-
Fix (*)	-	-	-	-	-	464.892	-	-	-	464.892
Value increase / (decrease)in	-	-	947	-	-	-	-	-	-	947
The classification of non-current assets held for sale are classified	-	-	-	-	-	-	-	-	-	-
Closing Balance	**-**	**(31.246)**	**(20.866)**	**(1.454.258)**	**(259.791)**	**(6.656.683)**	**(426.307)**	**(123.366)**	**-**	**(8.972.517)**
Tangible Assets, net	1.269.221	90.850	534.903	13.661.751	498.678	3.731.051	54.465	89.365	2.790.216	22.720.500

(*) Of a portion of the Group's assets located in the fixtures to be corrected as a result of the depreciation rate is balance.

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

17. 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

The sum of the depreciation expense in the current year is TL 3.210.975 (31.12.2012: TL 2.336.389). Of this amount, TL 2.684.624 (31.12.2012: TL 1.784.217) amounting to the cost of goods sold (Note 29), TL 3.936 (31.12.2012: None.) Amounting to marketing expenses, TL 522.415 (31.12.2012: TL 552.172) amounting to general administrative expenses (Note 30) were included.

At balance sheet date, the net book value of the assets subject to finance lease are as follows:

The Net Values	31.12.2013	31.12.2012
Fornitur and Fixtures (net)	627.878	737.690

18. INTANGIBLE FIXED ASSETS

31.12.2013

Cost	Rights	Total
Opening Balance	2.750.025	2.750.025
Foreign Currency Translation Differences	21.542	21.542
Purchases	33.231	33.231
Outputs	-	-
Closing Balance	**2.804.798**	**2.804.798**
Accumulated Depreciation and Impairment		
Opening Balance	(814.824)	(814.824)
Foreign Currency Translation Differences	(2.963)	(2.963)
Charge For The Period	(760.034)	(760.034)
Outputs	-	-
Closing Balance	**(1.577.821)**	**(1.577.821)**
Tangible Assets, net	1.226.977	1.226.977

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

18. INTANGIBLE FIXED ASSETS (continued)

31.12.2012

Cost	Rights	Total
The effect of changes in IFRS 11 standard	912.680	912.680
As previously reported January 1, 2012	(6.033)	(6.033)
Opening Balance	906.647	906.647
Purchases	1.843.378	1.843.378
Outputs	-	-
Closing Balance	**2.750.025**	**2.750.025**
Accumulated Depreciation and Impairment		
The effect of changes in IFRS 11 standard	(678.497)	(678.497)
As previously reported January 1, 2012	50.915	50.915
Opening Balance	(627.582)	(627.582)
Charge For The Period	(187.242)	(187.242)
Outputs	-	-
Closing Balance	**(814.824)**	**(814.824)**
Tangible Assets, net	1.935.201	1.935.201

Economic lives of intangible assets are as follows:

	The Economic Life (
Rights	3-14

The sum of the current year amortization expense is TL 760.034 (31.12.2012: TL 187.242). Of this amount, TL 22.950 (31.12.2012: TL 5.554) in the portion of goods sold at cost (Note 29) TL 737.084 (31.12.2012: TL 181.688) amounting to general administrative expenses were included. (Note 30).

19. POSITIVE / NEGATIVE GOODWILL

Cost Value	31.12.2013	31.12.2012
The beginning of the period cost value (*)	173.385	173.385
For the period from the business combination additional amount (Note 3)	7.890.150	-
The closing value of the	8.063.535	173.385

(*)As of 31.12.2013 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 2013 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 TL 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.

16,25% discount rate used for cash flows' species. The estimated value of the cash flows, discounted cash flows consist of five years until 2018. Cash flows beyond the 5-year estimated growth rate of the country taking into account the expected inflation rate of 6,6% 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.

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

20. LEASING OPERATIONS

Operating Leases

The Group as lessee

Leasing Contracts:

The Group's operating leases are subject to the lease agreement, which currently has four units Qatar, Baku branches and subsidiaries located in Russia and Abu Dhabi are related to the office and storage building.

Recognised as an expense payments	01.01.-31.12.2013	01.01.-31.12.2012
Of the minimum lease payments	853.817	626.136
Contingent lease payments	-	-
Secondary leases payments received	-	-
Total	853.817	626.136

21. IMPAIRMENT OF ASSETS

	31.12.2013	31.12.2012
Provisions For Doubtful Trade Receivables	615.664	4.218.999
Impairment Of Inventory	368.789	-
Total	984.453	4.218.999

22.. GOVERNMENT GRANTS

None. (31.12.2012: None).

23. BORROWİNG COSTS

None.(31.12.2012: None).

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

24. PROVISIONS AND CONTINGENT ASSETS AND LIABILITIES

Offsetting

None (31.12.2012:None).

Contingent Assets

As of December 31, 2013, and still continues against the Group amounting to a total of TL 2.495.393 there are 14 lawsuits. Create any liability against the group of cases is envisaged.

Guarantee-Pledge-Mortgages

As of 31 December 2013 and 31 December 2012, the Group's guarantee / pledge / mortgage position statements are as follows:

There is no collateral received for the project, other collateral amounts are as follows;

				31.12.2013
	USD	EUR	TRY	TRY Amount
Letters of Guarantees Received	768.224	1.805.422	1.411.123	8.352.365
Guaranteed Bill Received	482.092	493.956	3.141.597	5.621.028
Guaranteed Cheques Received	83.000	46.500	2.507.739	2.821.433
Total	1.333.316	2.345.878	7.060.459	16.794.826

				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

						31.12.2013
	USD	EUR	AED	RUB	TRY	Total TRY
Projects related to						
Letters of Guarantees Given	86.548.457	4.188.745	-	-	10.370.722	207.391.343
Bonds of Guarantees Given	-	-	-	-	-	-
Cheks of Guarantees Given	-	-	-	-	-	-
Other						
Letters of Guarantees Given	-	-	-		742.150	742.150
Bonds of Guarantees Given	-	-	-	-		-
Cheks of Guarantees Given	-	-	-	-	-	-
Morgages Given	-	48.000.000	-	-	-	140.952.000
Total	86.548.457	52.188.745	-	-	11.112.872	349.085.493

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

24. PROVISIONS AND CONTINGENT ASSETS AND LIABILITIES(continued)

						31.12.2012
	USD	EUR	AED	RUB	TRY	Total TRY
Projects related to						
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
Cheks of Guarantees Given	-	211.420	-	-	-	497.196
Other						
Letters of Guarantees Given	3.000.000		-	-	964.850	6.312.650
Bonds of Guarantees Given	-	-	-	-		-
Cheks of Guarantees Given	-	-	-	-	-	-
Morgages 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

						31.12.2013
Guarantees Given by the Group (Margin-Pledge-Mortgages)	**TRY Amount**	**USD**	**EURO**	**AED**	**RUB**	**TRY**
1. Total Amount of GPM's given for the company	347.602.064	86.509.357	52.176.745	-	-	9.748.132
2. Total Amount of GPM's given for the companies consolited	103.144	26.700	12.000	-		10.920
3. Total Amount of GPM's given for the third parties In order to operate the usual trading activity	-	-	-	-	-	-
4. Total Amount of GPM's given	1.380.285	12.400	-	-	-	1.353.820
- Total amount of GPM given on behalf of its own legal personality	-	-	-	-	-	-
- Total amount of GPMs given for the group companies not included in items2 and 3.	1.380.285	12.400		-	-	1.353.820
- Total amount of GPMs given for the third parties not included in item3.	-	-	-	-	-	-
Total	349.085.493	86.548.457	52.188.745	-	-	11.112.872

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

24. PROVISIONS AND CONTINGENT ASSETS AND LIABILITIES (continued)

						31.12.2012
Guarantees Given by the Group (Margin-Pledge-Mortgages)	**TL Amount**	**USD**	**EURO**	**AED**	**RUB**	**TL**
1. Total Amount of GPM's given for the company	267.512.825	54.906.699	59.867.244	28.000.000	-	15.536.265
2. Total Amount of GPM's given for the companies consolited	6.998.122	1.202.750	958.417	-	45.529.520	-
3. Total Amount of GPM's given for the third parties In order to operate the usual trading activity	-	-	-	-	-	-
4. Total Amount of GPM's 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 items2 and 3.	190.700	-	-	-	-	190.700
- Total amount of GPMs given for the third parties not included in item3.	-	-	-	-	-	-
Total	274.701.647	56.109.449	60.825.661	28.000.000	45.529.520	15.726.965

Other groups of CPM is given by the Group's equity ratio as of 31.12.2013 is not important. (As of 31/12/2012 0%).

As of 31.12.2013 and 31.12.2012 Guarantees given the distribution of the species is shown below.

31.12.2013

Guarantees, Pledges and mortgages	Total TRY Amount	USD	EUR	AED	RUB	TRY
Letters of Gruantees Received	208.133.493	86.548.457	4.188.745	-	-	11.112.872
Pledge	-	-	-	-	-	-
Mortgage	140.952.000	-	48.000.000	-	-	-
Total	349.085.493	86.548.457	52.188.745	-	-	11.112.872

31.12.2012

Guarantees, Pledges and mortgages	Total TRY Amount	USD	EUR	AED	RUB	TRY
Letters of Gruantees Received	161.820.047	56.109.449	12.825.661	28.000.000	45.529.520	15.726.965
Pledge	-	-	-	-	-	-
Mortgage	112.881.600	-	48.000.000	-	-	-
Total	274.701.647	56.109.449	60.825.661	28.000.000	45.529.520	15.726.965

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

25. COMMITMENTS

None (31.12.2012: None).

26. EMPLOYEE BENEFITS

Short-Term Employee Benefits	31.12.2013	31.12.2012
Unused Vacation Rights	480.908	421.278

Scope of Employee Benefits Liabilities	31.12.2013	31.12.2012
Due to Personnel	1.806.434	1.579.939
Social Security Premiums Payable	664.159	528.727
Total	2.470.593	2.108.666

Long-Term Employee Benefits	31.12.2013	31.12.2012
Provision for employee ermination benefits	975.996	794.486

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 9% 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, 2012: 5%, respectively 8,5% and 3,33%).

	31.12.2013	31.12.2012
Annual discount rate (%)	3,81	3,33
Probability of retirement (%)	88,36	80,24

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, 2013 the accompanying financial statements provisions for the future probably obligation arising from the retirement of employees is calculated by estimating the present value.

3.438 TRY(31.12.2012: 3.033 TRY) maximum amount used on calculation of retirement pay provision with effect from 01 January 2014.
The movement of provision for severance pay as follows:

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

26. EMPLOYEE BENEFITS(continued)

	01.01.-31.12.2013	01.01.-31.12.2012
Provisions as of January 1	794.486	686.475
Cost of Services	95.516	275.237
Interest Cost	23.485	32.902
Retirement Benefits Paid	(83.183)	(226.894)
Acturial Gain / Loss	145.692	66.715
The Effect of IFRS 11	-	(39.949)
Provisions at 31 December	975.996	794.486

27.OTHER CURRENT/NONCURRENT ASSETS AND LIABILITIES

Other Current Assets	31.12.2013	31.12.2012
Deferred VAT	15.300.440	14.551.369
Other VAT	167.713	438.757
Work Advance	266.933	333.471
Advance Given to Personel	550.361	48.130
Other Current Assets	1.264.796	1.302.263
Total	17.550.243	16.673.990

Other Non-current Assets

None (31.12.2012: None).

Other Short-Term Liabilities	31.12.2013	31.12.2012
Other Liabilities	-	9.342
Total	-	9.342

Other Long-Term Liabilities

None (31.12.2012: None).

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

28. CAPİTAL, RESERVES AND OTHER EQUITY COMPONENTS

a) Capital

The Company's issued share capital at 31 December 2013 and 2012 dates are as follows:

	31.12.2013		31.12.2012	
Shareholders	Share Amount TL	Share Rate (%)	Share Amount TL	Share Rate (%)
Rıdvan Çelikel (**)	47.142.089	42,86	47.142.089	42,86
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 Real People	20.637	0,04	45.174	0,04
Public Section (*)	55.633.477	50,58	55.608.940	50,55
Share Capital	110.000.000	100,02	110.000.000	100,00

(*)Publicly offered shares of the Group are being traded in ISE (Istanbul Stock Exchange).

(**) Ridvan 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.

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

28. CAPİTAL, RESERVES AND OTHER EQUITY COMPONENTS (continued)

b) Relating to the Share Premium / (Discount)	31.12.2013	31.12.2012
Shares In Relation To The Premium / (Discount)	1.384.433	1.384.433
Total	1.384.433	1.384.433

c) Revaluation and Measurement Gains / (Losses)	31.12.2013	31.12.2012
Financial Assets Revaluation Gain / (Loss)	(348.487)	(348.487)
Property, Plant And Equipment Asset Revaluation Measurement Gain:	1.274.784	1.215.179
Total	926.297	866.692

d) Foreign Currency Translation Differences	31.12.2013	31.12.2012
Foreign Currency Translation Differences	45.326.637	12.839.177
Total	45.326.637	12.839.177

e) Not Reclassifed Other Cumulative Comprehensive Income / Expense in case of Profit or Loss	31.12.2013	31.12.2012
Actuarial gain/(loss)	(206.574)	(89.612)
Total	(206.574)	(89.612)

f) Restricted Reserves	31.12.2013	31.12.2012
Restricted Reserves	3.052.537	2.955.734
Total	3.052.537	2.955.734

g) Previous Years Profit / (Loss)	31.12.2013	31.12.2012
Previous Years Profit / (Loss)	89.497.781	89.446.841
Total	89.497.781	89.446.841

h) Non-Controlling Interest

The details regarding the Group's Non-Controlling Interest December 31, 2013 and as of December 31, 2012 are as follows:

	31.12.2013	31.12.2012
1 January Balance	29.123.727	25.395.995
Additions	1.159.459	-
Foreign Currency Translation Differences	46.372	(47.416)
Parent Company Profit / (Loss) Share	(1.234.625)	3.775.148
Total	29.094.933	29.123.727

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

28.CAPİTAL, RESERVES AND OTHER EQUITY COMPONENTS (continued)

Profit Distribution

Publicly held companies , the CMB's profit distribution came into force from the date of February 1, 2014 II-1.19 Dividend accordance with the notification.
Partnerships, profits will be determined by the General Assembly in accordance with the dividend distribution policy and in accordance with the provisions of the relevant legislation by the General Assembly distributes . Comes within the scope of the notification a minimum distribution rate has not been determined . Companies based in contract or in the manner specified in the dividend distribution policy will pay dividends . In addition, dividends may be paid in installments of equal or different, consistent and interim financial statements of the profits in advance may distribute dividends in cash .
TCC based on separation of reserves required by the articles of association or dividend distribution policy for the shareholders determine dividend allottees other reserves to allocate to the next year to transfer profit and dividend shareholders , management board members subsidiaries to their employees and shareholders, persons other than the profit share to be distributed could not be given , as determined for the shareholders in cash dividends are paid on these shares may not be distributed to persons on the card .

29. REVENUE

Sales (net)	01.01.-31.12.2013	01.01.-31.12.2012
Domestic Sales	220.718.201	115.316.063
Foreign Sales	229.397.654	163.567.537
Rental Income	10.404.740	12.086.660
Other Income	487.026	468.388
Total Income	461.007.621	291.438.648
Sales Returns (-)	(1.266.684)	(27.527)
Sales Revenue, Net	459.740.937	291.411.121
I – Cost of Goods Sold	(13.495)	(50.709)
II – Cost of Goods Sold	(5.616.671)	(15.336.547)
III - Cost of Services	(400.018.187)	(230.298.067)
IV- Other Cost of Sales	-	-
V- Depreciation Expenses	(2.707.574)	(1.789.771)
VI –Depreciation and Amortization		-
Cost of Sales (I+II+III+IV+V+VI)	(408.355.927)	(247.475.094)
GROSS PROFIT/ LOSS	51.385.010	43.936.027

30. GENERAL ADMINISTRATIVE EXPENSES, MARKETING, SALES AND DISTRIBUTION EXPENSES, RESEARCH AND DEVELOPMENT EXPENSES

	01.01.-31.12.2013	01.01.-31.12.2012
General And Administrative Expenses (-)	23.950.856	26.144.619
Marketing Expenses (-)	625.853	929.687
Total	24.576.709	27.074.306

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

30. GENERAL ADMINISTRATIVE EXPENSES, MARKETING, SALES AND DISTRIBUTION EXPENSES, RESEARCH AND DEVELOPMENT EXPENSES (continued)

General And Administrative Expenses	01.01.-31.12.2013	01.01.-31.12.2012
Personnel Expenses	10.277.201	8.932.300
Subcontractor Labor Expenses	185.905	72.786
Depreciation and Amortization Expenses	522.415	552.172
Transportation Expenses	342.154	346.698
Consulting Expenses	952.730	1.858.715
Maintenance And Repair Expenses	201.770	221.828
Data Processing Expenses	13.082	155.007
Bank Costs	18.217	24.062
Dues And Expenses	27.198	20.292
Car Expenses	163.238	173.517
Electricity, Water and heating Expenses	87.184	231.617
Communication Expenses	93.623	118.254
Of Non-Deductible Expenses	114.999	462.864
Advertisement Expenses	120.265	23.761
Shipping Expenses	12.108	16.396
Department Of Participation Share	4.679.140	3.616.827
Stationery Expenses	227.480	122.140
Material Expenses	257.461	196.157
Trademark Registration and Expenses	27.291	218.538
Fines	1.540	137.289
The Shipping Expenses	20.308	18.532
Notary Expenses	23.836	20.772
Representation And Entertainment Expenses	25.758	41.109
Sap Expenses Of Use	303.858	64.244
Insurance Expenses	91.143	209.389
Cleaning Expenses	70.342	104.053
Taxes, Expenses and Mortar	117.629	147.577
Food Costs	277.725	229.789
Severance Pay Expenses	599.343	209.246
Doubtful Receivables	607.459	4.218.999
Rent Expenses	937.823	1.275.866
Other Expenses	2.550.631	1.665.088
Travel and Accommodation Expenses	118.566	87.483
Car Rent Expenses	289.503	351.252
Total	23.950.856	26.144.619

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

30. GENERAL ADMINISTRATIVE EXPENSES, MARKETING, SALES AND DISTRIBUTION EXPENSES, RESEARCH AND DEVELOPMENT EXPENSES (continued)

Marketing Expenses	01.01.-31.12.2013	01.01.-31.12.2012
Personnel Expenses	462.845	597.615
Depreciation and Amortization Expenses	3.936	-
Transportation Expenses	185	14.501
Consulting Expenses	5.783	136.043
Car Expenses	23.349	30.717
Department Of Participation Share	24.924	35.153
Insurance Expenses	-	22.364
Taxes, Expenses and Mortar	1.158	3.438
Food Costs	4.466	4.218
Other Expenses	21.924	28.436
Car Rent Expenses	54.494	57.202
Fair Expenses	22.789	-
Total	625.853	929.687

31. EXPENSES BY NATURE

DepraciaDepreciation Expenses	01.01.-31.12.2013	01.01.-31.12.2012
Cost of Sales	2.684.624	1.784.217
General Administrative Expenses	522.415	552.172
Marketing Expenses	3.936	-
Total	3.210.975	2.336.389

Amortization	01.01.-31.12.2013	01.01.-31.12.2012
Cost of Sales	22.950	5.554
General Administrative Expenses	737.085	181.688
Total	760.034	187.242

Personnel Expenses	01.01.-31.12.2013	01.01.-31.12.2012
Salaries and Wages	48.949.632	49.990.820
Social Security Expenses	4.205.190	3.234.654
Severance Pay Expenses	243.880	86.861
Allow Expenses Compensation Provisions	59.567	0
Total	53.458.269	53.312.334

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

32.INCOME / EXPENSES FROM PRINCIPAL OPERATIONS

Other Operating Income	01.01.-31.12.2013	01.01.-31.12.2012
Obsolete Provisions	142.199	388.579
Foreign exchange differences related to Operating Income	11.279.849	1.396.808
Other Income and Profits	2.808.779	2.152.905
Total	14.230.827	3.938.292

Other Operating Expenses (-)	01.01.-31.12.2013	01.01.-31.12.2012
Provision Expenses (-)	(368.789)	-
Foreign exchange differences related to Operating Expenses (-)	(13.074.947)	(2.924.498)
Prior Period Expenses and Losses (-)	-	(5.618)
Other Expenses (-)	(2.194.910)	(352.706)
Total	(15.638.646)	(3.282.822)

33. INCOME FROM INVESTMENT OPERATIONS AND EXPENSES

Income from Investment Operations	01.01.-31.12.2013	01.01.-31.12.2012
Term Deposits Interest Income	50.229	874.647
Investment Property Revaluation Gain	17.525.494	3.117.298
Financial Investment Sales Gain	893.201	4.643
Investment Property Sales Gain	99.709	-
Total	18.568.633	3.996.588

Expenses from Investment Operations (-)	01.01.-31.12.2013	01.01.-31.12.2012
Loss on Sale of Investments (-)	-	(37.361)
Total	-	(37.361)

34. FINANCIAL INCOME / (EXPENSES)

Finance Income	01.01.-31.12.2013	01.01.-31.12.2012
Interest Income	1.426.361	3.235.569
Income from Foreign Exchange Differences	98.171.720	28.444.045
Total	99.598.081	31.679.614

Financing Expenses	01.01.-31.12.2013	01.01.-31.12.2012
Foreign currency exchange losses (-)	(115.925.091)	(26.840.144)
Loan Interest Expenses (-)	(13.938.425)	(9.725.583)
Total	(129.863.516)	(36.565.727)

35. NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

None. (31.12.2012: None.)

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

36. INCOME TAXES

Current Tax Related to Non Current Assets

	31.12.2013	31.12.2012
Prepaid Taxes and Funds	4.462.343	4.968.460

Current Tax Related to Non Current Assets

	31.12.2013	31.12.2012
Prepaid Taxes and Funds	8.000.536	3.385.097

Income Tax Liability

	31.12.2013	31.12.2012
Current Tax Liability	7.380.211	4.224.065
Less: Prepaid Taxes and Funds	(4.462.343)	(4.968.460)
Income Tax Liability	2.917.868	(744.395)

Tax Provision

	31.12.2013	31.12.2012
Current Income tax provision (-)	(6.798.587)	(4.292.323)
Provision for Deferred Tax Expense / (Income)	(1.553.523)	(958.952)
Total	(8.352.110)	(5.251.275)

CorporateTax

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 2013 and 31 December 2012, the Group offset against future profits will be achieved TRY 8.435.819 and TRY 9.364.762, respectively, amounting to has unused tax losses. Unused tax losses, to be available at the following dates will lose quality.

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

36. INCOME TAXES (continued)

Tax Provision(continued)
Corporations calculate and pay quarterly temporary corporate tax of 20%. (2012: %20).
The tax legislation provides for a temporary tax (prepaid tax) of 20% (20% in 2012) to be calculated and paid based on earnings generated for each quarter. The amounts thus calculated and paid are offset against the final tax liability for the year.

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.

As of 31 December 2013 and 31 December 2012, the Group will be offset against future profits will be obtained TL 8.435.819 and 9.364.762 respectively has unused tax losses amounting to TL. Unused tax losses to be available at the following dates will be disqualified.

	31.12.2013	31.12.2012
Will end in 2012	-	-
Will end in 2013	-	-
Will end in 2014	-	-
Will end in 2015	-	-
Will end in 2016	8.435.819	9.364.762
Total	8.435.819	9.364.762

Tax liability table for the current period profit is a follows.

	31.12.2013	31.12.2012
01 January	4.224.065	3.963.733
The Current Tax Expense For The Period	6.798.587	4.296.413
Taxes Paid	(4.296.413)	(3.753.448)
Foreign Currency Translation Difference	653.972	(282.633)
Current Income Tax Liabilities	7.380.211	4.224.065

Income Tax Withholding
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:

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

36. INCOME TAXES (continued)

	31.12.2013	31.12.2012
Profit before tax	8.490.008	9.636.852
The effective tax rate (20%)	(1.698.002)	(1.927.370)
Foreign Branches and Subsidiary Impact on Tax Rate	2.789.567	(473.690)
Non-deductible expenses	(443.194)	(193.185)
Changes in tax losses in the previous period	185.789	(582.926)
Unused tax losses of the current period	(5.420.388)	-
Impact of loss from equity method	(1.042.734)	(188.110)
Effect of Other Adjustments	(2.723.148)	(1.885.994)
Total	(8.352.110)	(5.251.275)

Deferred Tax Liabilities

Deferred tax is accounted for using the liability method in respect of temporary differences arising from differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax basis used in the computation of taxable (statutory) profit.

Deferred tax is calculated using tax rates that have been enacted in the period in which assets acquired and/or liabilities carried out and included in the statement of income as income or expense.

Deffered tax rate is %20.(31.12.2012 : %20).

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

36. INCOME TAXES (continued)

	Cumulative Timing Difference		Deferred Tax Asset/ (Liability)	
	31.12.2013	31.12.2012	31.12.2013	31.12.2012
Deferred Tax Assets				
Provision of Doubtful Receivable	881.352	4.487.650	113.082	896.176
The Difference Between Book Value and Tax Assessment of Tangible and Intangible Fixed Assets	17.488.520	17.535.528	3.066.820	3.076.199
Provision of Severance Pay	975.996	785.309	195.199	157.062
Provision of Unused Annual Leave	480.908	401.651	96.182	80.330
Unearned Credit Finance Income	16.151	184.894	3.230	36.979
Reversal of Prior Period Projects' Income Accurals	526.032.894	314.702.060	94.217.193	50.872.578
Provision for inventory impairment	368.789	-	73.758	-
Financing Expenses	914.851	842.717	182.970	168.543
Unused prior year's losses	8.435.819	9.364.762	1.687.164	1.872.952
Other Adjustment	2.096.124	1.575.490	231.118	185.127
Total	557.691.404	349.880.061	99.866.716	57.345.946
Deferred Tax Liabilities				
The Difference Between Book Value and Tax Assessment of Tangible and Intangible Fixed Assets	(48.916.294)	(28.794.274)	(9.767.382)	(5.745.771)
Unrealized Credit Finance Expense	(107.260)	(156.309)	(21.452)	(31.261)
Projects' Period Income Accurals	(476.594.267)	(296.981.256)	(89.427.948)	(50.045.240)
Other Adjustments	(549.466)	(20.085)	(109.892)	(4.016)
Total	526.167.287	(325.951.924)	(99.326.674)	(55.826.288)
Deferred Tax Asset/ (Liability), net	31.524.119	23.928.137	540.042	1.519.658
Deferred Tax Income/(Expense)				(979.616)
Foreign Currency Translation Effect				559.567
Saved Revaluation Fund				14.901
Deferred Tax Income/(Expense) for				(29.241)
the period between 01/01-31/12/2013				(1.553.523)

	31.12.2013	31.12.2012
Beginning of Period	1.519.658	2.782.062
Current Period Income Statement Debt / (receivable) Record	(1.553.523)	(1.549.827)
Impact of Foreign Currency Translation	(559.567)	261.867
Revaluation and Measurement Profit / Loss Deduction of Amounts	(14.901)	8.757
Defined Benefit Plans Remeasurement Gain / Loss from Amounts deducted	29.241	16.799
End of term	(579.092)	1.519.658

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

37. EARNINGS PER SHARE

Share In Earnings Per	01.01.-31.12.2013	01.01.-31.12.2012
The Parent Company, Net Profit / (Loss)For The	1.372.523	15.464
Of The Share-Weighted Average Number Of	110.000.000	110.000.000
From Continuing Operations Per Share Of Profit / (Loss)	0,01	0,00

38. RELATED PARTY DISCLOSURES

Which are related parties of the Company and the transactions between subsidiaries have been eliminated on consolidation, are not disclosed in this note.

Trade receivables from related parties are generally arise from sales and maturities of approximately 4 months. Due to the nature of unsecured interest-free and not operated.

Trade payables to related parties usually arise from purchase transactions and average maturity is 4 months. Payables are not interest bearing.

Details of transactions between the Group and other related parties are disclosed below.

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

38. RELATED PARTY DISCLOSURES(continued)

Related parties and affiliates for trade and non-trade receivables is not a defined term. Due to the nature of unsecured interest-free and not operated.

	31.12.2013							
	Receivables				Payables			
	Short-Term		Long-Term		Short-Term		Long-Term	
Balances with related parties	Trade	Other	Trade	Other	Trade	Other	Trade	Other
Anelsis Mühendislik Sanayi ve Ticaret A.Ş.	4.231.828	23.507.594	-	-	1.770	-	-	-
Anelmak Makine ve Elektronik San. ve Tic. A.Ş.	39.344	-	-	-	-	-	-	-
Anel Ar-Ge Dan. San. Ve Tic. A.Ş.	55.986	573.062	-	-	-	-	-	-
Doğa Çevre Teknolojileri A.Ş.	480.118	-	-	-	-	-	-	-
Anelnet Teknik Hizmetler Ltd. Şti.	1.679.347	423.000	-	-	278.555	-	-	-
Köpük Turizm ve Yatçılık Ltd. Şti.	225.304	-	-	-	-	-	-	-
Anelmep Maintenance and Operations LLC	16.811	2.177.308	-	-	-	665.935	-	-
Anel Doğa Entegre Geri Dönüşüm Endüstrisi A.Ş.	2.326.309	16.332.092	-	-	3.990	-	-	-
Anel-Sera Adi Ortaklığı	2.080.325	338.184	-	-	126.407	2.033.448	-	-
Avek Solar Uretim Sanayi Ticaret A.Ş.	2.933.412	352.059	-	-	2.225	-	-	-
EKB(Energinia Compania)	209.871	1.977.420	-	-	-	196.370	-	-
Anel Holding A.Ş.	1.965.113	3.272.956	-	-	3.667.560	-	-	-
Anel Telekomünikasyon Elk. Sist. San. ve Tic.	160.047	993.000	-	-	712.631	505.000	-	-
Doğa Geri Dönüşüm San. Tic.	1.083	-	-	-	-	-	-	-
Sera Yapı Endüstri ve Ticaret	96.932	-	-	-	-	-	-	-
Ams Aneltech Adi Ortaklığı	1.888	-	-	-	-	-	-	-
Anel KSA	-	4.856.669	-	-	-	-	-	-
Anel Arabia	-	5.691	-	-	-	19.313	-	-
Çelikel Vakfı	18.609	-	-	-	-	-	-	-
Anelsis Bosnia Branch	-	-	-	-	-	1.580	-	-
E Sistem Elektronik A.Ş.	4.553	15.000	-	-	510	-	-	-
Total	16.526.880	54.824.035	-	-	4.793.648	3.421.646	-	-

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

38. RELATED PARTY DISCLOSURES(continued)

Related parties and affiliates for trade and non-trade receivables is not a defined term. Due to the nature of unsecured interest-free and not operated.

	31.12.2012							
	Receivables				Payables			
	Short-Term		Long-Term		Short-Term		Long-Term	
Balances with related parties	Trade	Other	Trade	Other	Trade	Other	Trade	Other
Anelsis Mühendislik Sanayi ve Ticaret A.Ş.	2.641.319	883.261	-	-	-	-	-	-
Anelmak Makine ve Elektronik San. ve Tic. A.Ş.	20.484	-	-	-	5.749	-	-	-
Anel Ar-Ge Dan. San. Ve Tic. A.Ş.	11.161	-	-	-	-	-	-	-
Plastikkart Akıllı Kart Iletişim Sistemleri San. ve	-	-	-	-	-	-	-	-
Çelikel Vakfı	12.079	-	-	-	-	-	-	-
Anel Omaj A.Ş.	5.192	-	-	-	-	-	-	-
Anelnet Teknik Hizmetler Ltd. Şti.	1.220.166	-	-	-	549.295	-	-	-
Anel Mekanik Tesisat Taahhüt A.Ş.	-	-	-	-	-	-	-	-
Köpük Turizm ve Yatçılık Ltd. Şti.	222.472	-	-	-	85	-	-	-
Anelmep Maintenance and Operations LLC	6.407	1.129.673	-	-	-	-	-	-
Anel Doğa Entegre Geri Dönüşüm Endüstrisi A.Ş.	890.955	9.375.826	-	-	-	-	-	-
Anel-Sera Adi Ortaklığı	203.772	338.185	-	-	-	835.640	-	-
Avek Solar Uretim Sanayi Ticaret A.Ş.	934.912	-	-	-	-	-	-	-
EKB(Energinia Compania)	86.612	787.637	-	-	-	-	-	-
Anel Holding	314.422	177.000	-	-	-	-	-	-
Anel Telekomünikasyon Elk. Sist. San. ve Tic.	83.339	-	-	-	-	-	-	-
Sera Yapı Endüstri ve Ticaret	961.970	-	-	-	-	-	-	-
BG Company	3.853.923	-	-	-	-	-	-	-
Anel Doğa	52.452	-	-	-	2.610	-	-	-
Ams Aneltech Adi Ortaklığı	472	-	-	-	-	-	-	-
Anel Emirates General Comp.	-	432.979	-	-	-	-	-	-
Anel KSA	-	4.234.908	-	-	-	-	-	-
Aneles Elektronik Uretim ve Paz.	200.348	-	-	-	105.521	-	-	-
Anelsis Bosnia Branch	-	-	-	-	-	1.580	-	-
E Sistem Elektronik A.Ş.	44.708	-	-	-	50.386	-	-	-
Real People	-	-	-	400.000	-	1.822.729	-	-
Total	11.767.165	17.359.469	-	400.000	713.646	2.659.949	-	-

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

38. RELATED PARTY DISCLOSURES(continued)

01.01. - 31.12.2013 and 01.01. - 31.12.2012 transactions with related parties during the period are as follows:

	01.01.-31.12.2013							
Operations with Related Parties	Good Purchases	Good Sales	Interest Income	Interest Expense	Rent Income	Rent Expense	Service Sales	Service Purchases
Anel Elektrik Proje Taahhüt ve Tic. A.Ş.	-	-	-	-	-	-	-	-
Anelsis Mühendislik Sanayi ve Ticaret A.Ş.	5.037.096	679	71.743	-	192.102	-	127.140	186.079
Anelmak Makine ve Elektronik San. ve Tic. A.Ş.	-	-	-	-	1.200	-	-	713
Anel Ar-Ge Dan. San. Ve Tic. A.Ş.	-	-	16.189	-	1.200	-	1.660	-
As Alan Sistemleri Ltd. Şti.	-	-	-	-	1.200	-	-	-
Çelikel Vakfı	-	-	-	-	5.981	-	-	-
Anelnet Teknik Hizmetler Ltd. Şti.	-	-	8.871	-	27.855	-	65.205	514.634
Köpük Turizm ve Yatçılık Ltd. Şti.	-	-	-	-	2.400	-	-	-
Anel Enerji Elektrik Uretim San. Tic. A.Ş.	-	-	-	6.984	-	-	-	-
Anelmep Maintenance and Operations LLC	-	-	5.300	-	-	-	-	-
Anel Doğa Entegre Geri Dönüşüm Endüstrisi A.Ş.	-	123.375	973.486	-	-	-	43.584	2.997
Anel-Sera Adi Ortaklığı	-	-	-	-	-	-	1.707.898	558.062
Avek Solar Uretim Sanayi Ticaret A.Ş.	5.131	-	-	-	88.549	-	25.232	24.091
EKB(Energinia Compania)	-	-	127.701	-	-	-	-	-
Anel Holding A.Ş.	-	-	126.558	-	1.034.268	-	153.513	2.333.032
Anel Telekomünikasyon Elk. Sist. San. ve Tic. A.Ş.	242.956	-	5.375	53.712	15.514	-	61.495	52.411
Sera Yapı Endüstri ve Ticaret	-	-	-	-	-	-	2.923.461	-
Anel Arabia	-	-	6.656	-	-	-	-	-
Kioto Photovoltaics	-	-	-	-	-	-	326	-
E Sistem Elektronik A.Ş.	-	-	259	-	1200	-	-	-
Total	5.285.183	124.054	1.342.138	60.696	1.371.469	-	5.109.514	3.672.019

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

38. RELATED PARTY DISCLOSURES(continued)

01.01. - 31.12.2013 and 01.01. - 31.12.2012 transactions with related parties during the period are as follows:

	01.01.-31.12.2012							
Operations with Related Parties	Good Purchases	Good Sales	Interest Income	Interest Expense	Rent Income	Rent Expense	Service Sales	Service Purchases
Anel Elektrik Proje Taahhüt ve Tic. A.Ş.	-	-	-	-	-	-	-	-
Anelsis Mühendislik Sanayi ve Ticaret A.Ş.	2.423.534	2.807	879	-	-	-	173.722	298.222
Anelmak Makine ve Elektronik San. ve Tic. A.Ş.	-	-	-	-	-	8.682	50	116
Anel Ar-Ge Dan. San. Ve Tic. A.Ş.	-	-	-	-	-	68.229	-	5.830
Anelnet Teknik Hizmetler Ltd. Şti.	-	-	7.870	8.904	6.207	-	269.570	214.858
Köpük Turizm ve Yatçılık Ltd. Şti.	-	-	-	-	-	-	-	4.632
Anel Holding A.Ş.	-	-	948	-	-	-	1.889.228	3.281.975
Anelmep Maintenance and Operations LLC	-	-	9.003	-	-	-	-	-
Anel Doğa Entegre Geri Dönüşüm Endüstrisi A.Ş.	-	9.629	-	-	625.491	-	7.107	267.628
Anel Electrical Contracting and Trading CO.	-	-	2.771.890	-	-	-	23.424	-
Total	2.423.534	12.436	2.790.590	8.904	631.698	76.911	2.363.101	4.073.261

- Product sales consist of electrical supplies.
- Save Service department expenditures consist of purchases.
- Service revenues from sales of services and building work consists of contributions.

Company's Key Management Personnels are Board Chairman and Members and General Manager. Benefits Supplied to Key Management Personnel as of 01.01.-31.12.2013 and 01.01.-31.12.2012 as follows;

Benefits Provided To Senior Management	01.01.-31.12.2013	01.01.-31.12.2012
Short-Term Employee Benefits	1.962.114	2.492.784
Dismissal Due To The Benefits Provided	-	-
Other Long-Term Benefits	-	-
Total	1.962.114	2.492.784

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

39. QUALITIES AND LEVEL OF RISKS FROM FINANCIAL INSTRUMENTS

a)Equity Risk Method

The aims of Company are to be beneficial for all shareholders and maintaining the best capital combination to reduce capital cost and keeping on entitiy when managing the capital.

Company capital structure consist of credit payables, cash and cash equivalents,paid capital,reserves and retained earnings.

Company capital cost and each risks regarding capital evaulate by executives.According to the evaulate company aim to equalise the capital structure by borrowing, redemption, dividend payment and issuance of shares.

The Company uses Liabilities / Equity rate while they follow capital sufficiency. This rate is found by net liabilities divided by total equity. Net liabilities is counted by cash and cash equivalents minus total liabilities which appears in balance sheet.

Equity rate to depts as of December 31, 2013 and 2012 as follows:

	31.12.2013	31.12.2012
Total Liabilities	546.867.735	321.436.602
Less: Cash and Cash Equivalents	(46.477.869)	(15.657.396)
Net Liabilities	500.389.866	305.779.206
Total Equity	280.448.567	246.542.456
Liabilities / Equity Proportion	1,78	1,24

Company's aim is to high profitability and equity for able to manage debts.

b) Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.
The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

b.1) Credit Risk

Financial losses due to Company's receivables and financial assets which result from not implementing agreement clauses related to financial assets by a customer or other party constitutes credit risk.Company trying to decrease credit risk by making operations with confidential parties and attain enough collateral.

Trade receivables contain lots of customers rathered on same sector and geographical area

Credit consideration making over Custumer's trade receivables permanently

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

39. QUALITIES AND LEVEL OF RISKS FROM FINANCIAL INSTRUMENTS (continued)

31.12.2013

	Receivables				Cash and cash equivalents	
	Trade Receivables		Other Receivables			
Current Period	**Related parties**	**3rd Parties**	**Related parties**	**3rd Parties**	**Banks Deposit**	**Financial Invesment**
The maximum amount of exposure to credit risk at the end of the reporting (A+B+C+D) (1)	**16.526.880**	**341.971.592**	**54.824.035**	**10.535.803**	**43.968.794**	**46.296**
- Total receivable that have been secured with collateras, other credit enhancements etc.	-	-	-	-	-	-
A. Financial assets that are neither past due nor imparied the net book value (2)	16.526.880	341.971.592	54.824.035	10.535.803	43.968.794	46.296
B. The amount of financial assets that are past due as at the end of the reporting period but not impaired	-	-	-	-	-	-
C. The amount of financial assets that are impaired (3)	-	-	-	-	-	-
- Past due (Gross book value)	-	846.825	-	-	-	-
- The amount of impairment (-)	-	(846.825)		-	-	-
- Net value garanteed with colleteral etc.	-	-	-	-	-	-
Not overdue (gross book value)	-	-	-	-	-	-
- Impairment (-)	-	-				
- Net value garanteed with colleteral etc.	-	-	-	-	-	-
D. Off financial statment credit risk amount	-	-	-	-	-	-

ANEL ELEKTRİK PROJE TAAHHÜT VE TİCARET A.Ş. AND ITS SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

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

39. QUALITIES AND LEVEL OF RISKS FROM FINANCIAL INSTRUMENTS (continued)

31.12.2012

	Receivables				Cash and cash equivalents	
	Trade Receivables		Other Receivables			
Prior Period	**Related parties**	**3rd Parties**	**Related parties**	**3rd Parties**	**Banks Deposit**	**Financial Invesment**
The maximum amount of exposure to credit risk at the end of the (A+B+C+D+E) (1)	**11.767.165**	**229.403.859**	**17.759.469**	**5.779.945**	**15.574.296**	**46.296**
- Total receivable that have been secured with collateras, other credit enhancements etc.	-	-	-	-	-	-
A. Financial assets that are neither past due nor imparied the net book value (2)	11.767.165	229.403.859	17.759.469	5.779.945	15.574.296	46.296
B. The amount of financial assets that are past due as at the end of the reporting period but not impaired	-	-	-	-	-	-
C. The amount of financial assets that are impaired (3)	-	-	-	-	-	-
- Past due (Gross book value)	-	4.454.457	-	-	-	-
- The amount of impairment (-)	-	(4.454.457)		-	-	-
- Net value garanteed with colleteral etc.	-	-	-	-	-	-
Not overdue (gross book value)	-	-	-	-	-	-
- Impairment (-)	-	-	-	-	-	-
- Net value garanteed with colleteral etc.	-	-	-	-	-	-
D. Off financial statment 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 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
(3) the impairment test, the Group's customers, which is one of receivables determined by the management of doubtful receivables have been made in the framework of policy.

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

39. 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.

Current Period

Terms According to Agreements	Book Value	According to Contract Total Cash Outflows (=I+II+III+IV)	Up tu 3 months (I)	3 to 12 months (II)	1 to 5 years (III)	Over 5 years (IV)	Demand
Non Drivatives Financial Liabilities	**283.972.128**	**299.713.170**	**167.257.681**	**24.105.082**	**63.618.938**	**44.731.469**	**-**
Bank Loans	191.661.702	207.399.577	83.159.382	15.889.788	63.618.938	44.731.469	
Leases	79.656	81.515	81.515	-	-	-	-
Trade Payables	83.545.575	83.546.883	78.753.235	4.793.648	-	-	-
Other Payables	8.685.195	8.685.195	5.263.549	3.421.646	-	-	-

Prior Period

Terms According to Agreements	Book Value	According to Contract Total Cash Outflows (=I+II+III+IV)	Up tu 3 months (I)	3 to 12 months (II)	1 to 5 years (III)	Over 5 years (IV)	Demand
Non Drivatives Financial Liabilities	**193.992.520**	**194.141.993**	**79.901.146**	**27.875.010**	**86.365.837**	**-**	**-**
Bank Loans	120.698.702	120.698.702	10.431.592	23.969.355	86.297.755	-	-
Leases	401.519	444.493	94.103	282.308	68.082	-	-
Trade Payables	58.495.733	58.602.232	57.638.834	963.398	-	-	-
Other Payables	14.396.566	14.396.566	11.736.617	2.659.949	-	-	-

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

39. 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 flactuate 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.

The group's foreign currency denominated monetary and non-monetary assets and liabilities as of the date of the balance sheet are as follows:

31.12.2013

	Current Period			
	TRY Amount	USD	EUR	GBP
1. Trade Receivables	17.349.209	6.009.129	-	-
2a. Monetary Financial Assets	2.906.732	1.150.932	151.856	1.245
2b. Non-Monetary Financial Assets	-	-	-	-
3. Other	12.869.612	3.810.992	1.612.740	-
4. Current Assets (1+2+3)	**33.125.553**	**10.971.053**	**33.305.180**	**1.245**
5. Trade receivables	-	-	-	-
6. Other	-	-	-	-
7. Non-Current Assets (5+6)	-	-	-	-
8. Total Assets (4+7)	**33.125.553**	**10.971.053**	**33.305.180**	**1.245**
9. Trade Payables	27.664.497	10.081.708	1.927.346	138.821
10. Financial Liabilities	11.966.835	3.925.892	1.221.796	-
11a. Other Monetary Liabilities	-	-	-	-
11b. Other Non-Monetary Liabilities	45.692.333	19.553.606	1.348.228	-
12. Short-Term Liabilities (9+10+11)	**85.323.665**	**33.561.206**	**4.497.370**	**138.821**
13. Financial Liabilities	76.542.256	87.214	26.002.423	-
14. Other Non-Monetary Liabilities	-	-	-	-
15. Long-Term Liabilities (13+14)	76.542.256	87.214	26.002.423	
16. Total Liabilities (12+15)	**161.865.921**	**33.648.420**	**30.499.793**	**138.821**
17. Net Foreign Currency Asset / (Liability)	**128.740.368**	**22.677.367**	**27.194.613**	**137.576**
18. Net Foreign Currency Monetary Items	**(95.917.647)**	**(6.934.753)**	**(27.459.125)**	**(137.576)**

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

39. QUALITIES AND LEVEL OF RISKS FROM FINANCIAL INSTRUMENTS (continued)

Foreign Exchange Risk Management (continued)

31.12.2012

	Prior Period			
	TRY Amount	USD	EUR	GBP
1. Trade Receivables	4.433.313	1.801.732	519.338	76
2a. Monetary Financial Assets	8.622.853	3.695.504	865.150	235
2b. Non-Monetary Financial Assets				
3. Other	7.712.494	2.520.381	1.369.079	-
4. Current Assets (1+2+3)	**20.768.660**	**8.017.617**	**2.753.567**	**311**
5, trade receivables	-	-		-
6. Other	-	-	-	-
7. Non-Current Assets (5+6)	-	**-**	**-**	**-**
8. Total Assets (4+7)	**20.768.660**	**8.017.617**	**2.753.567**	**311**
9. Trade Payables	18.051.360	8.257.044	1.380.659	29.768
10. Financial Liabilities	15.508.226	1.444.700	5.499.385	-
11a. Other Monetary Liabilities	35.880.264	17.876.130	1.706.967	-
11b. Other Non-Monetary Liabilities	-	-	-	-
12. Short-Term Liabilities (9+10+11)	**69.439.850**	**27.577.874**	**8.587.011**	**29.768**
13. Financial Liabilities	73.345.662	37.322	31.160.068	-
14. Other Non-Monetary Liabilities	-	-	-	-
15. Long-Term Liabilities (13+14)	**73.345.662**	**37.322**	**31.160.068**	**-**
16. Total Liabilities (12+15)	**142.785.512**	**27.615.196**	**39.747.079**	**29.768**
17. Net Foreign Currency Asset / (Liability) Position (8-16)	**(122.016.852)**	**(19.597.579)**	**(36.993.512)**	**(29.457)**
18. Net Foreign Currency Monetary Items Assets / (Liability) Position	**(129.729.346)**	**(22.117.960)**	**(38.362.591)**	**(29.457)**

39. QUALITIES AND LEVEL OF RISKS FROM FINANCIAL INSTRUMENTS (continued)

Foreign Exchange Risk Management (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.

31.12.2013

Sensitivity to Foreign Currency				
Current Period				
	Profit/Loss		Equity Capital	
	Appreciation of Foreign Currency	Devaluation of Foreign Currency	Appreciation of Foreign Currency	Devaluation of Foreign Currency
Appreciation of USD against TL at 10%:				
1- US Dollar net assets/liabilities	798.570	(798.570)	-	-
2- The amount of USD Hedging (-)	-	-	-	-
3- US Dollar Net Effect (1+2)	**798.570**	**(798.570)**	-	-
Appreciation of Euro against TL at 10%:				
4- Euro net asset/liabilities	484.003	(484.003)	-	-
5- The amount of EUR Hedging (-)	-	-	-	-
6- Euro Net Effect (4+5)	**484.003**	**(484.003)**	-	-
Appreciation of other foreign currencies against TL at 10%:				
TOTAL (3+6)	**1.282.573**	**(1.282.573)**		

31.12.2012

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
Appreciation of USD against TL at 10%:				
1- US Dollar net assets/liabilities	(3.493.464)	3.493.464	-	-
2- The amount of USD Hedging (-)	-	-	-	-
3- US Dollar Net Effect (1+2)	**(3.493.464)**	**3.493.464**	-	-
Appreciation of Euro against TL at 10%:				
4- Euro net asset/liabilities	(8.699.764)	8.699.764	-	-
5- The amount of EUR Hedging (-)	-	-	-	-
6- Euro Net Effect (4+5)	**(8.699.764)**	**8.699.764**	-	-
Appreciation of other foreign currencies against TL at 10%:				
TOTAL (3+6)	**(12.193.228)**	**12.193.228**	-	-

The Group's activities through the use of derivative financial instruments does not hedge foreign currency denominated liabilities.

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

39. 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 31.12.2013 and 31.12.2012 as follows :

Interest Rate Risk			
		Current Period	**Prior Period**
Financial Instrument with fixed rate			
	Fair Value	-	-
Financial Assets	Cash and Cash Equivalents	2.672.801	1.226.279
Financial Liabilities		191.741.358	121.100.221
Değişken faizli finansal araçlar			
Financial Assets		-	-
Financial Liabilities		-	-

If the base point of denominated interest rates for financial instruments with variable interest rate was higher/lower 0,25%, with all other variables held constant, the Group's income before tax and minority interest would be lower/higher TL 738.200 as of 31 December 2013. (31 December 2012 – TL 680.968)

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

40. FINANCIAL INSTRUMENTS (FAIR VALUE OF FINANCIAL RISK MANAGEMENT DISCLOSURES)

31 December 2013	The Fair Value of the Financial Assets	Loans and Receivables (Including cash and cash equivalents)	Financial Assets Valued by Cost Value	Other Financial Liabilities are measured at amortized cost shown	Book Value	Note
Financial Assets						
Cash and Cash Equivalents	-	46.477.869	-	-	46.477.869	6
Trade Receivables	-	358.498.472	-	-	358.498.472	9, 38
Financial Invesment	-	-	46.296	-	46.296	7
Financial Liabilities						
Financial Liabilities	-	-	-	191.741.358	191.741.358	8
Trade Liabilities	-	-	-	83.545.575	83.545.575	9, 38
Other Financial Liabilities	-	-	-	7.380.211	7.380.211	35
31 Aralık 2012						
Financial Assets						
Cash and Cash Equivalents	-	15.657.396	-	-	15.657.396	6
Trade Receivables	-	241.171.024	-	-	241.171.024	9, 38
Financial Invesment	-	-	46.296	-	46.296	7
Financial Liabilities						
Financial Liabilities	-	-	-	121.100.221	121.100.221	8
Trade Liabilities	-	-	-	58.495.733	58.495.733	9, 38
Other Financial Liabilities	-	-	-	4.224.065	4.224.065	35

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

40. 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.

The fair value hierarchy of financial assets and level of classification is as follows:

		The Level of the fair value at the reporting date		
Financial Assets	31.12.2013	First Level (TRY)	Second Level (TRY)	Third Level (TRY)
Available for sale financial Assets				
- Shares	46.296	-	-	46.296
Total	46.296	-	-	46.296

		The Level of the fair value at the reporting date		
Financial Assets	31.12.2012	First Level (TRY)	Second Level (TRY)	Third Level (TRY)
Available for sale financial Assets				
- Shares	46.296	-	-	46.296
Total	46.296	-	-	46.296

Financial assets reconciliation of beginning and ending balances are as follows:

	31.12.2013 Assets Shares	31.12.2012 Assets Shares
Opening balance	46.296	364.762
changes	-	(318.466)
Closing Balance	46.296	46.296

41. EVENTS AFTER THE REPORTING PERIOD

None. (31.12.2012: None).

42. DISCLOSURE OF OTHER MATTERS

None.(31.12.2012: None.)

PRODUCED BY FINAR KURUMSAL © 2014
WWW.FINARKURUMSAL.COM • TEL +90 212 269 37 20