

Legal Disclosures

Information on the Extraordinary General Assembly Meeting during the Reporting Period, If Applicable

During 2013, an Extraordinary General Assembly meeting was convened on 25 March 2013. The decisions passed in the Annual General Assembly meeting held on 14 May 2013 have been enforced.

Affiliated Companies Report

The conclusion part of the report that is prepared by the Company's Board of Directors and that discloses our relations with the controlling company and affiliated companies pursuant to Article 199 of the Turkish Commercial Code is quoted below.

Pursuant to Article 199 of the Turkish Commercial Code no. 6102 that went into force on 01 July 2013, the Company's Board of Directors is obliged to issue a report on the Company's relations with the controlling company and the companies affiliated to the controlling company during the past operating year within the first three months of the current operating year, and to incorporate the conclusion part of the said report in its annual report.

Necessary disclosures on the transactions our company carried out with the associated parties are covered in the present report. In this report, the Company's Board of Directors concluded that in all transactions the Company carried out during 2013 with its controlling company or with its affiliates, an appropriate counter-performance was provided in each transaction according to the conditions and state known to us at the time the transaction and/or the action was realized/taken or avoided; that there were no actions taken or avoided which might potentially cause loss to the Company, and that there are no transactions or actions that would require equalization within this scope.

Donations and Grants

The Company may, from time to time, make donations and grants to foundations, associations, universities and similar institutions, which are founded with social motives, subject to the principles set out by the Capital Markets Board.

During 2013, the Company's donations and grants to various organizations and institutions amounted to TL 671,437.

Lawsuits Filed Against the Company with a Potential Impact on the Company's Financial Standing and Activities and Possible Results

The related disclosure is presented in note 26 to financial statements for the period 01 January 2013 - 31 December 2013.

Disclosure of Administrative or Judicial Sanctions Against the Company or the Members of the Governing Body on Account of Practices Violating the Provisions of Legislation

There are no administrative or judicial sanctions imposed against the Company or the members of the governing body on account of any practice violating the provisions of legislation.

Changes in the Articles of Incorporation during the Reporting Period

It has been approved to amend "Article 15 - General Assembly" of the Company's articles of incorporation by the T.R. Prime Ministry Capital Markets Board letter no. 2054 dated 04 March 2013, and T.R. Ministry of Customs and Trade General Directorate of Domestic Trade preliminary permission no. 1530 dated 06 March 2013; the same has been laid down for the approval of shareholders, and unanimously approved and ratified, at the extraordinary general assembly meeting held on 25 March 2013.

Based on the T.R. Prime Ministry Capital Markets Board preliminary permission no. 29833736-110.03.02-1436-4723 dated 03 May 2013 and the T.R. Ministry of Customs and Trade General Directorate of Domestic Trade permission no. 67300147/431.02.16989-561606-5026-3667 dated 07 May 2013, it has been agreed by majority of votes at the Annual General Assembly meeting convened on 14 May 2013 to amend "Article 2 -Company Name", "Article 3 - Purpose and Occupation Field of the Company", "Article 4 - Head Office and Branches of the Company", "Article 5 - Duration", "Article 6 - Registered Capital", "Article 7 - The Board of Directors", "Article 8 - Term of the Board of Directors", "Article 9 -Meetings of the Board of Directors", "Article 10 - Management and Representation of the Company", "Article 11 - Duties of the Members of the Board of Directors", "Article 13 - Auditors", "Article 16 -Place of Meeting", "Article 17 - Presence of the Ministry Representative in Meetings", "Article 18 - Meeting Quorum", "Article 19 - Votes", "Article 20 -Assignment of a Representative", "Article 21 - Announcements", "Article 22 - Voting Manner", "Article 24 - Annual Reports", "Article 25 - Annual Accounts", "Article 26 - Distribution of Profit", "Article 27 - Dividend Distribution Timing", "Article 30 - Legal Provisions", "Article 31 - Jurisdiction", "Article 33 - Issuance of Bonds, Profit-Sharing Bonds and Commercial Papers", and to annul "Article 14 - Responsibilities of Auditors", "Article 23 - Modification of the Articles of Incorporation", "Article 29 - Printing the Articles of Incorporation", "Article 32 - Undersigning the Articles of Incorporation" and "Provisional Article 2" of the Company's articles of incorporation.

Financial Rights Provided to the Members of the Board of Directors and Senior Executives

Financial rights provided to the chairperson, members of the Board of Directors and Senior Executives are determined within the frame of the Remuneration Policy posted on our website. Financial rights provided to the chairperson, members of the Board of Directors and Senior Executives in the twelve months that ended on 31 December 2013 are determined within the frame of the Remuneration Policy posted on our website. In the twelve months that ended on 31 December 2013, remunerations and similar payments made to the members of the Board of Directors and senior executives amounted to TL 2,317,659.

Disclosures Concerning Special Audit and Public Audit Conducted During the Fiscal Year

During 2013, regular audits have been performed by various public agencies, after which no material notices have been served on our party.

The Company's Shareholders' Equity

The shareholders' equity worth TL 333,024,137 as at 31 December 2013 indicates that the issued capital of TL 43,335,000 has been very well maintained.